DOCUMENT RESUME

ED 101 823 PS 006 972

AUTHOR Knape, Lawrence E.
TITLE A Day Care Action Plan for Region X. Volume 1. Final Report.
INSTITUTION Unco, Inc., Washington, D.C.
SPONS AGENCY Office of Education (DHEW), Washington, D.C.
PUB DATE 31 Mar 73
CONTRACT OEC-X-72-0055
NOTE 203p.; For related documents, see PS 006 971-974

EDRS PRICE MF-$0.76 HC-$10.78 PLUS POSTAGE
DESCRIPTORS Child Development; Cost Effectiveness; *Day Care Services; Federal Programs; *Federal State Relationship; *Models; Program Administration; Program Evaluation; *Program Improvement; Program Planning; *Regional Planning; Social Services; Standards
IDENTIFIERS Alaska; Idaho; Oregon; Washington

ABSTRACT

This report, the first in a three-volume study evaluating federally-supported day care in Alaska, Idaho, Oregon, and Washington, contains a discussion of various issues related to the use of federal standards for day care services and presents four optional strategies for upgrading the quality of day care in the four states. Each strategy includes detailed recommendations for federal, state, and local officials on how to improve the planning, administration, and coordination of day care services. (Author/CS)

U.S. DEPARTMENT OF HEALTH
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

ED101823

A DAY CARE ACTION PLAN

FOR REGION X

VOL. I

FINAL REPORT

Contract No.
OEC-X-72-0055

PS 006972

Inco Inc.

SUITE 838 • 815 15TH STREET, N.W. WASHINGTON, D.C. 20005 • (202) 347-7730

SUITE 424 • 1103 A STREET, TACOMA, WASHINGTON 98402 • (206) 383-1646

N O T I C E

THIS DOCUMENT HAS BEEN REPRODUCED FROM THE BEST COPY FURNISHED US BY THE SPONSORING AGENCY. ALTHOUGH IT IS RECOGNIZED THAT CERTAIN PORTIONS ARE ILLEGIBLE, IT IS BEING RELEASED IN THE INTEREST OF MAKING AVAILABLE AS MUCH INFORMATION AS POSSIBLE.

90803

A DAY CARE ACTION PLAN FOR REGION X

VOL. 1

Contract No.

OEC-X-72-0055

Reproduced by
NATIONAL TECHNICAL
INFORMATION SERVICE
U S Department of Commerce
Springfield VA 22151

March 31, 1973

UNCO, INC.
TACOMA, WASHINGTON

100001

BIBLIOGRAPHIC DATA SHEET	1. Report No.	2.	3. Recipient's Accession No.
4. Title and Subtitle AN EVALUATION OF DAY CARE IN REGION X VOLUME I - A DAY CARE ACTION PLAN FOR REGION X.			5. Report Date 6.
7. Author(s)			8. Performing Organization Rept. No.
9. Performing Organization Name and Address			10. Project/Task/Work Unit No. 11. Contract/Grant No.
12. Sponsoring Organization Name and Address			13. Type of Report & Period Covered 14.

15. Supplementary Notes

16. Abstracts

Volume I contains a discussion of various issues related to the use of Federal standards for day care services and presents four optional strategies for upgrading the quality of day care in the four states. Each strategy specifies detailed recommendations which Federal, State and local officials can take to improve day care services in this jurisdiction. The primary emphasis of the recommendations concern efforts to improve the administration, planning and coordination of day care services both for the administering agency and providers.

17. Key Words and Document Analysis. 17a. Descriptors

17b. Identifiers/Open-Ended Terms

17c. COSATI Field/Group

18. Availability Statement	19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 203
	20. Security Class (This Page) UNCLASSIFIED	22. Price 12.25

FORM NTIS-35 (REV. 3-72) USCOMM-DC 14952-P72

BEST COPY AVAILABLE

Unco Inc.

March 31, 1973

Ms. Robin Pasquarella
Project Officer
Region X
Department of Health, Education,
and Welfare
Arcade Plaza Building, M.S. 610
1321 Second Avenue
Seattle, Washington 98101

Dear Ms. Pasquarella:

RE: Contract No. OEC-X-72-0055, DAY CARE STUDY, REGION X

Unco, Inc. is pleased to submit twenty copies of the final report of an Evaluation of Day Care Services in Region X. Unco's project staff has found this study to be one of the most exciting and challenging projects in which we have been involved. The opportunity to be a part of a program which is undergoing change was particularly rewarding.

The Unco project staff would like to express the pleasure it had in working with the staff of DHEW Region X office. The consideration and cooperation received in the conduct of this project was invaluable.

Sincerely,

Lawrence E. Knape
Director, West Coast Programs

fm

SUITE 838 • 815 15TH STREET, N.W. WASHINGTON, D.C. 20005 • (202) 347-7730

SUITE 424 • 1103 A STREET, TACOMA, WASHINGTON 98402 • (206) 383-1646

BEST COPY AVAILABLE

This study was conducted and this report was prepared under a contract with the Federal Region X office of the Department of Health, Education, and Welfare. Organizations undertaking such projects are encouraged to state their findings and express their judgments freely. Therefore, points of view or opinions stated in this document do not necessarily represent the official position of the Department of Health, Education, and Welfare.

UNCO

PROJECT STAFF

Project Manager:	Lawrence E. Knape
Senior Analyst:	Elizabeth L. Diffendal
Staff Associates:	Dr. B. Allen Benn Dr. W. G. Darnell Marjorie Michitti Jack Moore Robert Muller Susan K. Stinson
Consultants:	Sylvan Caditz Dr. Edward Palmer Walter Plosila
Project Secretaries:	Martha Hendrickson Faulene K. Main

Field Interviewers:

Judith Buck	Hugh Mitchell
Toby Burton	Mickey Newman
Irene Colvin	Betty Richardson
Paul Friedrich	Helen Strickland
John Hampton	Roberta Tarbell
George Harper	William Wheeler
Ann Meyers	

BEST COPY AVAILABLE

SPECIAL DEDICATION TO REGION X

DAY CARE PROVIDERS

Here we are, just look under the forms
Statistical data, figures and norms
Is your ethnic minority black or sky blue
What do you do when a child has the flue
Fill in the numbers, sign on the line
A few hundred pages will do just fine
What does it cost, whom do you pay
How many trips to the bathroom per day
Total the figures, divide by point 3
It's very important, just wait and see
We'll issue a document, impressive and long
We'll tell you just how you are doing it wrong
You've finished with this one? Wait, don't go away
Here's another report that's due yesterday.
The children? Well, they'll just have to wait
Information is needed, so don't be late
Your primary job is to fill up our shelves
In the meantime, the kids can just fend for themselves.

Sandy Larson, Bookkeeper
Chugiak Parents & Children's Center
Chugiak, Alaska

00008

ACKNOWLEDGMENT

Unco, Incorporated, is pleased to acknowledge the valuable assistance of all those individuals who became involved with this project.

To list all of those to whom we are indebted for their help on this project would be an impossible task. Certainly, we wish to express our gratitude to those persons in the Region X office of the Department of Health, Education, and Welfare (Ms. Robin Pasquarella, Project Officer; Ms. Mary McLean, Management Intern; Mr. John Crossman, Analyst; and Mr. Ron Bake, Contract Officer, DHEW Region X office). The services, comments, and recommendations of these individuals have been particularly helpful.

We would like to express special thanks to the administering agency personnel, day care providers, and parents for their help in providing us with information about the day care programs in Region X.

Although not all are mentioned here....all are remembered with appreciation.

99009

BEST COPY AVAILABLE

GENERAL INTRODUCTION

This study is a product of the Region X Federal Regional Council's interest and concern about the quality of federally supported day care in the region. The study examines federally supported child care available in the States of Washington, Oregon, Idaho, and Alaska. The quality of care, and the impact of Federal Day Care Standards are examined both from the perspective of the state and local agencies which administer federal day care dollars and from the perspective of the providers who must meet federal standards.

There are several unique features of this project. The primary objective of the effort was to develop an action plan by which the Federal Regional Council can move to upgrade the quality of day care in the region. Further, a proposed set of federal day care standards was used as the baseline against which to measure the current quality of care in a sample of federally supported settings. The use of these proposed standards provides the region with advance information on possible implementation problems should these standards be adopted. Finally, the study is unique in its focus on the activities and mechanisms of the multi-level administrative units--federal region, states, counties, and cities--which are responsible for administering currently available federal funds for day care and for implementing the 1968 Federal Day Care Requirements (FDCR).

This report is divided into three volumes. Each volume either can be read alone, or the three volumes can be read in sequence. A brief description of each volume follows:

Volume 1 is entitled "A Day Care Action Plan." This volume presents four possible strategies for federal regional action in the area of day care. Each of these strategies specifies actions which the federal regional office can take, and the related actions required by state and local levels of government to upgrade day care in the context of present monetary constraints and the New Federalism.

Volume 2 is "A Baseline for Improving Day Care Services in Region X." This volume examines the current level of day care services in the states of Region X in relation to the proposed 1972 Federal Day Care Requirements. The volume describes both the quality of day care currently provided and the structure of state administering agencies and their capacity to administer the day care program within each state.

The final volume is "A Profile of Federally Supported Day Care in Region X." This volume develops a profile of the characteristics of day care providers and federally supported day care settings in Region X. The final chapter outlines the potential impact of the 1972 Federal Day Care Requirements on current costs of providing day care in the region.

00010

BEST COPY AVAILABLE

TABLE OF CONTENTS

VOL. 1 A DAY CARE ACTION PLAN FOR REGION X

	Page
Letter of Transmittal	i
General Introduction	v
CHAPTER I DAY CARE AND THE FEDERAL ROLE	1-1
1.1 DAY CARE AS A SUPPORT SERVICE	1-1
1.2 IMPLICATIONS OF DAY CARE AS IT SUPPORTS NATIONAL INTERESTS	1-3
1.3 THE NEED FOR FEDERAL STANDARDS IN THE DELIVERY OF DAY CARE SERVICES	1-4
1.3.1 The Effect of Federal Standards on Local Initiative and Flexibility	1-5
1.3.2 The Cost Implications of Federal Standards	1-6
1.3.3 Evidence of the Desirability of the Child Development Approach	1-6
1.3.4 Evidence that Federal Standards Will Ensure Meeting Developmental Objectives	1-7
1.4 AN INTERPRETATION OF THE EFFECT OF FEDERAL DAY CARE REQUIREMENTS	1-7
1.5 IMPLICATIONS FOR FEDERAL FUNDING IN DAY CARE	1-9
1.6 ABSENCE OF A FEDERAL ROLE: THE MARKET MODEL	1-11
1.7 SUMMARY	1-12
CHAPTER II OPTIONS AND STRATEGIES FOR FEDERAL INVOLVEMENT IN DAY CARE	2-1
2.1 ANALYTIC BASIS FOR THE STRATEGIES	2-1

60811

TABLE OF CONTENTS, VOL. 1 (Cont.)

Page

2.2 CHAPTER ORGANIZATION 2-2

2.3 CHARACTERISTICS OF THE FOUR STRATEGIES . . . 2-3

STRATEGY I The Federal Strong Arm Strategy
STRATEGY II The Federal Deference Str Strategy
STRATEGY III The Federal Hands-Off Strategy
STRATEGY IV The Federal Encouragement Strategy

2.3.1 Primary Assumptions Underlying the Four Strategies 2-4

2.4 CHARACTERISTICS OF THE FOUR STRATEGIES . . . 2-5

2.4.1 Relationships of the Four Strategies to Each Other 2-6

Common Features of Strategies I and II . . 2-6

Planning
Standard Setting
Participant Groups
Direction of Input
Funding

Common Features of Strategies III and IV . 2-6

Planning
Standard Setting
Participant Groups
Funding

2.5 STRATEGY I The Federal Strong Arm Strategy 2-7

2.5.1 Federal Regional Office Tactics for Strategy I 2-8

2.5.2 State Tactics for Strategy I 2-16

2.5.3 State Role in the Design of the Social Service Development Process 2-22

2.5.4 Local Roles in the Social Service Development Process 2-25

00012

TABLE OF CONTENTS, VOL. 1 (Cont.)

		Page
2.5.5	Suggested Models for Use in Implementing Strategy I	2-27
	Model for a Social Services Development Process	2-27
	Planning	2-27
	Comprehensiveness	2-28
	Coordination	2-28
	Programming	2-28
	Budgeting	2-28
	Resource Allocation	2-28
	Organization	2-29
2.5.6	Suggested State Data to be Included in Quarterly Action Reports to Region X	2-30
2.5.7	Implications of Strategy I	2-32
2.5.8	Summary: Strategy I	2-35
2.6	STRATEGY II The Federal Deference Strategy	2-36
2.6.1	Federal Regional Office Tactics for Strategy II	2-37
	Development of Deference Indicators	2-46
	Federal Role After Deverence	2-52
	Recommended Procedures for Approval of Deference	2-53
2.6.1	State Tactics for Strategy II	2-54
2.6.3	State Role in the Design of the Social Service Development Process	2-60
2.6.4	Local Roles in the Social Service Development Process	2-63
2.6.5	Suggested Models for Use in Implementing Strategy II	2-64
	Model for a Social Services Development Process	2-64
	Planning	2-65
	Comprehensiveness	2-65
	Coordination	2-65

00013

TABLE OF CONTENTS, VOL. I (Cont.)

		Page
	Programming	2-66
	Budgeting	2-66
	Resource Allocation	2-66
	Organization	2-66
2.6.6	Suggested State Data to be Included in Quarterly Action Reports to Region X	2-67
2.6.7	Implications of Strategy II	2-69
2.6.8	Summary: Strategy II	2-72
2.7	STRATEGY III The Federal Hands-Off Strategy	2-74
2.7.1	Federal Tactics for Strategy III	2-75
2.7.2	State Tactics Under Strategy III	2-75
2.7.3	Local Roles Under Strategy III	2-77
2.7.4	Implications of Strategy III	2-78
2.7.5	Summary: Strategy III	2-79
2.8	STRATEGY IV The Federal Encouragement Strategy	2-80
2.8.1	Federal Tactics for Strategy IV	2-81
2.8.2	State Tactics Under Strategy IV	2-82
2.8.3	Local Tactics for Strategy IV	2-85
2.8.4	Suggested Models for Use in Implementing Strategy IV	2-86
	Model for a Social Services Development Process	2-86
	Planning	2-87
	Comprehensiveness	2-87
	Coordination	2-87
	Programming	2-87
	Budgeting	2-88
	Resource Allocation	2-88
	Organization	2-88

00614

TABLE OF CONTENTS, VOL. 1 (Cont.)

		Page
2.8.5	Implications of Strategy IV	2-89
2.8.6	Summary: Strategy IV	2-90
2.9	CONCLUSIONS: FINAL RECOMMENDATIONS	2-90
2.9.1	Proposed Implementation Timetable of the Pilot Program	2-92

0015

CHAPTER I

DAY CARE AND THE FEDERAL ROLE

This chapter presents selected day care issues and problems that have significant policy implications for the federal regions and the states. Much of the material is an outgrowth of Unco's experiences throughout the Region X Day Care Study. More simply put, the points raised in this chapter are the most essential conclusions drawn from the study. In addition, the discussion draws on Unco's experiences and understanding of a variety of fields, including inter-governmental relations, fiscal policies, and the overall field of social services.

The two primary issues for discussion are the current status of day care, as a service, both in Region X and across the nation, and parameters for the federal role in day care. More specifically, the need for federal standards is examined, as is the influence of the present Federal Day Care Requirements (FDCR), and the potential impact of the Administration's funding policies on day care under the New Federalism. This chapter should provide a good background and introduction to the alternatives for future action presented in the following chapter.

1.1 DAY CARE AS A SUPPORT SERVICE

Presently, there is considerable controversy as to the objectives of day care. It has been regarded as a comprehensive, developmental service for children and also as a more custodial, limited service which frees parents for work. These competing views have created confusion throughout governmental levels and agencies associated with day care, as well as among day care providers. The view of day care as a primary total service package is reflected in the Federal Day Care Requirements and is well illustrated by the following quote from a recent DHEW publication:

> "The primary objective of day care is to meet the needs of children for experiences which will foster their develop-

BEST COPY AVAILABLE

> ment as human beings. The purpose is not just to free parents for other activity or to serve manpower requirements."*

The source of controversy over the status of day care may lie with the failure to discriminate between the two major beneficiaries of day care, namely parents and children. Whereas with most services it is relatively clear who the main beneficiary of the service is, in day care two groups are served and there are two separate sets of benefits. For parents, day care is viewed as a support service that will help them achieve other work or training goals. In almost all cases parents would not use full time day care services for their children unless they themselves wanted to be trained or work outside the home. Parents clearly receive important supportive benefits from the existence of any day care services.

For children, day care provides direct benefits related to their continuing development during eight to ten hours per day. Few would argue that the care provided children should be loving and involve activities appropriate to the age and development of each child. However, the question remains whether it is or should be the primary setting for providing children with all early education, health, and social services which may be desirable for them, and for all children. Proponents argue that child care is a primary service to children, and as such should be developmentally oriented and comprehensive in its offerings. From this point of view, day care is similar to family foster care, since the child will receive most of his needed services in one setting. The day care setting, rather than the family, becomes the primary point of intervention in which extensive diagnosis yields an array of prescribed services for the child.

The counter argument which says that day care is a support or secondary service stems from the fact that entry into day care is based on a parental need, not the needs of the child. Since it enables the parent to enter a training program or the labor force, the children are not placed in day care <u>because of</u> their own need for services. From this viewpoint it becomes doubtful, then, that a whole range of services should be available in the day care setting.

---

*Statement of Principles. DHEW Publication No. (OCD) 72-10. DCCDCA Publication A-11.

00017

BEST COPY AVAILABLE

In our opinion day care is a poor mechanism through which to provide children with a complete service package, primarily because such a small percentage of all children ever enter a day care setting. If day care is the primary delivery mechanism, those who do not participate are less likely to ever receive the needed services. In addition, there is virtually no evidence to demonstrate that day care is the best setting for providing such services, or that their provision significantly enhances the "quality" of day care.

As priorities are today, we don't believe that day care is a service of national interest (though many may disagree) but rather it is designed to facilitate other primarily economic objectives that are of national interest, such as reducing federal expenditures on welfare and/or increasing the "employability" of previously unskilled individuals. Because of this strong association with goals and activities that are in the national interest, it is critical to have consensus on the purposes of day care, more efficient monitoring, and more adequate information systems to support day care planning efforts. Also of particular concern is the need to strengthen both the vertical coordination among levels of government and the horizontal integration of efforts among many branches and the agencies of government.

1.2 IMPLICATIONS OF DAY CARE AS IT SUPPORTS NATIONAL INTERESTS

Social service programs in HEW are particularly dominated by a myriad of separate, virtually independent programming systems, each with its own priorities, client group, and delivery mechanisms. And while many of them think they are comprehensive--day care not excluded--very few in reality are. If day care becomes regarded strictly as a support service designed to facilitate other objectives, the need for improved coordination and integration becomes imperative. At the present time, however, many agencies fail to realize that the quality of day care may indeed be severely undermined by the competing conceptions of what day care ought to be. For example, 4-Cs have no planning or action funds. Though their perspective of day care is rather broad and they relate primarily to the Office of Child Development, most of the funds are controlled by the narrower orientations of other parent agencies in DHEW or DOL. In addition, 4-C committees are intended to be the primary link between communities and states to assure more effective coordination of day care services; their ties to the DOL hierarchy

BEST COPY AVAILABLE

at both the regional and state levels are tenuous at best. The 4-Cs have no leverage to effect coordination, and DOL views CAMPS, rather than the 4-Cs, as the appropriate state/local liaison for day care. It is not surprising, therefore, to find state and local agencies responding to the different orientations of their respective federal counterparts, thus resulting in the absence of a coordinated system for the delivery of day care services.

If day care is to be considered as a support service for national interests, then the federal regional agencies must integrate their activities around day care and maintain information on both the resources and the results of day care services in the region. This study is hopefully a first step in providing information. But if the results contained herein are to be best used, it is up to the Federal Regional Council and the involved agencies to assure that an information and reporting system is established and that the results are effectively used in planning and decision making on the allocation of future federal funds in day care.

Further, the federal regional agencies need performance evaluation information to make comparisons among models, methods, and costs of day care services for program development purposes. Even with decentralization, the federal regional agencies will continue to need sufficient and accurate analyses available to allocate their own funds and to influence state and local governments to upgrade day care efficiency. At this time, neither federal nor local efforts are ensuring the development and distribution of effective programs.

In the final analysis,there should be little doubt of the appropriateness of continued federal involvement in day care, based on its role in supporting other national interests. Federal funds and technical support are warranted to promote day care, and therefore the federal government should monitor the expenditure of these funds to assure their best use. Given this mandate, the need for federal standards is worth some discussion.

1.3 THE NEED FOR FEDERAL STANDARDS IN THE DELIVERY OF DAY CARE SERVICES.

Given the rationale that day care supports other services which are high on the national list of priorities

BEST COPY AVAILABLE

and that, therefore, the federal government should support the service, the question may then be raised as to whether the federal government should institute standards to regulate the quality and conditions of day care. Whenever the issue of federal standards is raised opponents argue that, (1) standard setting eliminates local initiative and the flexibility required to meet local needs, and that (2) the cost of meeting federal standards is prohibitive. Opponents also claim that (3) evidence is lacking as to whether parents want a child development approach, and that (4) there is no evidence that services required by federal standards will ensure meeting the objective of total child development.

1.3.1 The Effect of Federal Standards on Local Initiative and Flexibility.

Historically, local and state governments have not been committed to child care legislation, except in response to an absolutely pressing demand. For example, the first mandatory child care licensing law in the State of Washington was enacted only after several children were burned to death in an unlicensed day care home. The inability of Idaho to obtain similar legislation even today illustrates the power of inertia without some crisis or tragedy. So often the local situation is one in which resources are only spent in areas either of most immediate concern or in ways that promise quick results. Day care services would rarely fall into either of these categories.

The argument that federal standards limit local flexibility to meet local needs has more substance. The federal standards assume that a certain level of community resources exists to provide certain services. But the existence of these resources and services is often a function of geography. With its wide variety of demographic and economic features (from metropolitan areas to the most remote rural areas), Region X is a good example of the varying distribution of available community resources.

Within the 1968 FDCR, there is a waiver mechanism to ease these differences in local resources. Our experience in conducting this study indicates that administering agencies have hardly used the waiver provision. This lack of use does not support the claim that meeting federal standards eliminates local flexibility.

Historically, local areas in Region X have not developed quality standards of their own nor day care service systems which meet all of the needs of the local population. Local standards, where they exist, relate almost exclusively to facility safety. Local day care programs or homes are primarily independent and their services are not coordinated to achieve local objectives.

1.3.2 The Cost Implications of Federal Standards.

There are three points of view to consider when discussing cost implications in day care: cost to the federal government (in effect, to the general public), to the operator of a day care setting, and to the day care consumer.

When the federal government institutes standards for federal day care service quality, it also can restrict the population eligible for federal services. The proposed new federal regulations, regarding the definition of potential recipients, is an attempt to reduce the eligible population. The basic philosophy, therefore, is one of providing quality services to a limited number of people on an intensive basis with no net gain in cost.

Operators of day care facilities claim that the imposition of federal standards substantially increases their operating costs. Many operators whom we interviewed said that if the 1972 standards become actual requirements, they could not afford to provide for federally funded children.* Their assumption is that the states would not increase the payment rates for federally funded children. Given the fiscal situation of the four states and the limit on Title IV social service expenditures, this may well be true.

There is one alternative, however, for the operator. By increasing the size of a center, the cost impact of such standards as lower staff/child ratios could be absorbed through economies elsewhere. Expansion, of course, brings more problems than it may be worth. The operator must then solve the need to find available land or buildings; he must have access to the required funds for capital investment; and he must not encounter trouble with zoning codes.

1.3.3 Evidence on the Desirability of the Child Development Approach.

Parental desire for a developmental/educational approach to child care is not extensively documented.

---

*This could lead to segregation of low and middle income children in day care. The few operators meeting high standards would become too expensive for middle income families. Consequently, facilities would tend to have either federally supported children or would become strictly private settings.

00021

Though not a central concern of this study, we did ask parents who were using in-home day care for their infants and preschool children what they would look for if they had a choice of any type of day care. Over 20% indicated that their first preference would be for an educational program and many regarded it as the second (20%) or third (13%) most important feature of a setting. In addition to those parents who use in-home care for their children, 15-20% of the parents of federally funded children choose center care, which may have more formalized child development programs. These are hardly adequate findings to document parent preferences. Only a research project with this as a main focus would be able to generate evidence to demonstrate that parents, in fact, would choose developmental programs over other available options.

1.3.4 Evidence that Federal Standards Will Ensure Meeting Developmental Objectives.

Little or no evidence exists about the services required to overcome poverty-related deprivation, and even less is known about the impact of day care services on the child. Of the four main objections to federal standards, this is the hardest to refute. The objection could be addressed if evidence did exist that the services required by federal standards do or do not have an impact on assuring total child development. Again, further research on the impact of services delivered in this context is required.

1.4 AN INTERPRETATION OF THE EFFECT OF FEDERAL DAY CARE REQUIREMENTS

Advocates of the 1968 FDCR heralded their adoption as the first significant interagency agreement to have been reached. The advocates further state that this agreement set forth a precedent for further mutual cooperation in the development of quality child care services. The authors of the 1972 standards state:

> "Day care should do more than ensure the child a safe and comfortable place to stay. It should complement the home and school in contributing to each child's development--his physical and emotional health and growth,

his mental and language skills, his knowledge of himself and the world about him, and his motivation and social competence."*

Proponents of the federal standards argue that state and local efforts at standard setting have not been programmatic in nature. Rather, state and local licensing has only viewed the child in relation to physical safety and not to his total development. The need for federal standards is to ensure that federally funded children are placed in day care settings that provide services to the total child.

There has been some misunderstanding on the part of many day care participants about the function and impact of the federal standards. The mere existence of these requirements does not posit a strong federal role in assuring compliance with the standards. In fact, FDCR implementation has paralleled the traditional federal role in social services: the state plan merely undergoes a federal pro forma monitoring--compliance review, and most FDCR monitoring relates only to fiscal control and efficiency. Of little concern are the capabilities of local government to implement programs, unequal distribution of resources, and the development of performance incentives. In fact, the FDCR intentionally place major compliance responsibility on the state administering agency, with the federal government merely monitoring what the state administering agencies are doing. Despite this traditional arrangement, we found that many day care operators and local government officials feel that the mechanisms in FDCR are somehow different from what the federal role has always been. For example, they feel that the standards are not like the state plan or the guidelines published by the old Children's Bureau.

Our interviews in Region X do not indicate that a different federal role has emerged with the adoption of the FDCR. *It can probably be argued for many reasons that the FDCR exist mainly on paper, with state licensing requirements serving as the effective standards for state monitoring of quality day care.* Even state agencies have mounted only minimal efforts with limited staff and manpower and have demonstrated a lack of willingness to apply effective sanctions in cases of noncompliance.

---

*Draft of Federal Day Care Requirements; June 19, 1972; p. 1.

00023

BEST COPY AVAILABLE

The rhetoric and reality of the FDCR influence and the techniques and tactics for their implementation reflect the mutual give-and-take of the state-federal relationship.

In summary, the FDCR as they are now applied, while not generally effective in assuring quality day care, adminstratively pose no new relationship between federal and state agencies. In fact, it can be argued that as a result FDC requirements have become merely a paperwork operation, and another red tape activity to submit for approval of the federal government.

1.5 IMPLICATIONS FOR FEDERAL FUNDING IN DAY CARE

The movement by the federal government toward broader block grant programs will provide new resources and responsibility to both governors and local chief executives over many social service activities. These initiatives, coupled with more integrated social services delivery programs, will test state and local capabilities to deal with social problems. Day care will inevitably become more closely integrated with general purpose government at the state, regional, and local levels.

One method which is being adopted throughout the country to tie human services more closely together, is the movement toward super-agencies. In Region X, Washington has adopted this alternative. Unfortunately, agency planning for resource allocations still tends to be more categorical then comprehensive, even under the super-agency approach.

Another pilot effort is currently being considered in Oregon where the 4-C committees at the local level may be tied into regional Councils of Governments (COGs). This may be a fruitful strategy for local day care, since it provides a means for 4-C review and comment on federally-funded proposals in other areas (if covered under A-95). More importantly, this linkage provides staff resources and greater leverage for local integration of day care with other social services.

Some cities, such as Seattle, have made efforts to develop a larger local government role in human resources planning by establishing local Offices of Human Resources. Other cities are thinking of

BEST COPY AVAILABLE

going one step further to set up Offices of Child Development. Local government traditionally has been isolated from these areas. Recently, the federal government began to regard the central city mayor as the local chief executive, rather than the county executive or county commissioner. Thus, local Offices of Human Resources may be another alternative for increasing local capacity to respond to day care service issues.

However, it is possible that conflict and duplication may increase, if the county remains the target for state formula grants in social services yet special revenue sharing emphasizes the central city mayor. Competition and inefficiencies would then merely be transferred from the federal government to local governmental jurisdictions.

In any event, recent Administration moves indicate that major responsibility is going to lie with state and local governments to increase their functional planning skills in day care. They will have the responsibility for establishing links with new sources of funds, if the day care supply is to keep up with the demand. *This decentralization requires, therefore, a major training and technical assistance effort by the federal government to get local and state governments to see the relationship of day care to other social services.* Based on this recognition, local governments must learn to develop appropriate links with other funding sources including the chief executive be he governor, mayor, manager, or county executive. In short, a concerted intergovernmental effort is going to be required in the future, with the pressure on the local level to meet the demand for quality day care.

To assure its quality, however, local and state governments will need to do more than improve their capacity for day care and social service programming. They will need an overall framework for evaluating day care effectiveness. State and local government will have to establish policies and monitoring procedures to assure that the FDCR or similar quality standards are met. At the same time it means that regional bodies should be developing sound standards of quality for day care services and perhaps play the major monitoring role over local government and private operators funded by the state. Hopefully, day care will be integrated into city, regional, and state social service strategies rather than permitted to continue floundering by itself, susceptible to national budget cuts and without a strong client base.

00025

1.6 ABSENCE OF A FEDERAL ROLE: THE MARKET MODEL

Another way to discuss the value of federal participation through funding, standards, and other assistance is to examine the hypothetical situation of day care with minimal federal involvement. There are many proponents who would like day care to become part of the competitive market. The adherents of the market model claim that the following benefits would occur:

1. A market industry will allow for the maximum freedom of choice by parents in selecting and using day care services.

2. A market industry will facilitate a wide range of new types of day care settings.

3. A market industry will promote efficiency incentives, since each day care operator must attract consumers to stay in business.

4. A market industry will reduce federal involvement in policy and decision roles.*

The market model for day care assumes an ideal information flow between day care and its consumers. The consumer must know where day care is available, what each setting offers, and how much it costs. The consumer could then make the most rational selection of a day care setting, based on personal needs. Our experience indicates that perfect knowledge--indeed even adequate knowledge--about day care services is not available to the low income consumer. Not only is there limited information available on day care options but also few consumers know what constitutes good and bad day care. We did not find in any of the four states a systematic effort for consumer education.

For the market model to function properly, entry into day care must be uninhibited. The opportunity for a diversity of settings must also exist under a market model, and costs must be relatively low to attract a variety of consumers. With only health and safety regulations, day care would return to its condition prior to implementation of the 1968 FDCR. It would appear that since consumer education is minimal, a lack of effective standards, such as FDCR, would create an undesirable situation.

---

*DCCDCA Bulletin #9, op. cit., page 20.

00026

As a form of consumer protection, enforced standards allow the consumer to choose a day care provider with some level of confidence in the care his child will receive.

The role of the federal government under a market model is minimized. With the abolition of federal standards, the primary function of the federal government would be financial. Federal dollars would be available to low income consumers to purchase day care services they otherwise would not be able to afford. While this is a highly important governmental function, it should not be the only concern of the federal government in day care.

1.1 SUMMARY

We regard day care as a service having a unique client base. Parents using day care for their children regard it primarily as a means to free themselves for training or work. For children day care should not be considered the primary mechanism for delivering special services until the primary purpose of day care for parents has changed. Until such time, children in day care are not necessarily the ones who need a wide range of services beyond a good developmentally oriented program. Indeed, it is not even known whether day care is the best setting for providing a comprehensive service package to children.

The federal government should financially support day care and, therefore, has the right to shape policies and expect a certain level of quality. Standards of quality will have to be maintained until the consumer public is better educated and there is a more perfect flow of information about day care services.

Currently, states regard their responsibilities as an administrative task of licensing; and, as a result, FDCR compliance monitoring is far from acceptable. However, it is unreasonable for the federal government to expect compliance and a favorable FDCR impact on day care quality, as long as there is no consensus on the purpose of day care or the methods and responsibilities for ensuring high quality.

In many respects, both the state and federal governments face similar problems in enforcing FDC Requirements. Neither has effective monitoring or information systems to enforce FDCR or plan the allocation of

resources. Given the role of day care as a support service, inter-governmental coordination and cross-agency integration are both terribly inadequate. Both manage day care in response to crisis rather than based on rational planning.

Somewhere along the line--either at the federal, state, or local level--someone is going to have to monitor the use of resources, establish and enforce reasonable standards of quality and safety, improve the flow of information between the consumer and day care, and implement day care as it should be through improved coordination and integration. This Administration's decentralization emphasis recommends certain strategies for accomplishing these objectives. The following chapter discusses four possible federal strategies in the spirit of the New Federalism.

CHAPTER II

OPTIONS AND STRATEGIES FOR FEDERAL INVOLVEMENT IN DAY CARE

This chapter discusses four potential federal regional strategies for improving the quality of day care. Each of the four strategies will require action by state and local agencies, as well as the Federal Region. Within each strategy, the required actions for each of the participants is described.

There are several terms used throughout the chapter that require definition to ensure consistent interpretation:

-- Strategy. An overall policy designed to accomplish a desired outcome.

-- Assumption. The preconditions necessary to implement the strategy.

-- Tactics. The specific actions required to implement the strategy.

-- Implications. The advantages and disadvantages of any given strategy.

-- Participant Groups. Those governmental units or groups of individuals who will interact in the implementation of a strategy.

2.1 ANALYTIC BASIS FOR THE STRATEGIES

The strategies outlined in this chapter were developed based on the findings presented in Volume II of this report. The most striking feature of the findings was in the area of administration and coordination of federally-funded day care. The regulatory aspect of day care program administration--monitoring--was significantly understaffed. Efforts to meet other administrative responsibilities such as the development of training programs, upgrading program quality, etc., were relatively ineffectual where they did exist.

The nature of day care is that it is a support service to other services often related to employment and training. When planning for day care is done, it is

usually done in the context of providing support for another program. The concern in planning is for the number of slots and the amount of money required rather than a primary concern with the quality of care. The federal regional office of DHEW reflects this planning approach. Social and Rehabilitation Services have been concerned with the financial auditing of federally supported day care within the Region. The person responsible for WIN within SRS also is concerned with day care as it impacts the WIN program. The Office of Child Development which focuses on quality services for children does not have a staff member who is assigned exclusively to day care. No one has as his primary assignment a focus on assuring quality day care. Within the four states of the Region, day care planning and delivery is similarly fragmented. Decisions that impact day care services are made with limited consideration of quality issues related to these decisions. The strategies presented here are designed to move quality issues in day care from the periphery and to integrate day care within the entire social service planning milieu.

2.2 CHAPTER ORGANIZATION

This chapter format is set up as a series of paired pages. The left-hand page of each pair presents the strategy under discussion and the assumptions related to the strategy. The right-hand pages present tactics, descriptive models (when appropriate) and implications related to the strategy described on the left page. When all tactics, models, and implications have been covered for one strategy, the second strategy will be set out on the left-hand page, paired with the tactics, etc. required for implementation, etc. In this way, the reader always will have available at a glance, the strategy to which the narrative on the right hand page refers.

Each strategy will consist of the tactics that each level of government will be required to undertake. Therefore, there will be sections on federal, state, and local tactics. The final section will be the implications (pro and con) of each strategy.

00030

2.3 CHARACTERISTICS OF THE FOUR STRATEGIES

STRATEGY I

The Federal Strong Arm Strategy

A Federal-State social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audits of day care services in the four states to assure compliance with federal standards.

STRATEGY II

The Federal Deference Strategy

A Federal-State social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

STRATEGY III

The Federal Hands-Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Minimum quality of day care will be determined at the state and local levels or by the marketplace. The federal role would be confined to fiscal auditing of the use of federal funds.

STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop a planning and allocation system for day care. The federal regional office would develop quality day care guidelines for the states. The states would accept these guidelines totally, in part, or reject them. The focal point for decision making regarding planning and level of quality of day care services would be at the state level.

00021

2.3.1 Primary Assumptions Underlying the Four Strategies.

Assumption #1

There will be a continuation of Federal Day Care Standards.

This condition is required for Strategy I or II to be implemented.

Assumption #2

There will not be a continuation of Federal Day Care Standards.

This condition is required for Strategy III or IV to be implemented.

00032

2.4 CHARACTERISTICS OF THE FOUR STRATEGIES

STRATEGY I

The Federal Strong Arm Strategy

A Federal-State social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audits of day care services in the four states to assure compliance with federal standards.

STRATEGY II

The Federal Deference Strategy

A Federal-State social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

* * * *

STRATEGY III

The Federal Hands Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Minimum quality of day care will be determined at the state and local levels or by the marketplace. The federal role would be confined to fiscal auditing of the use of federal funds.

STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop a planning and allocation system for day care. The federal regional office would develop quality day care guidelines for the states. The states would accept these guidelines totally, in part, or reject them. The focal point for decision making regarding planning and level of quality of day care services would be at the state level.

2.4.1 Relationships of the Four Strategies to Each Other.

Common Features of Strategies I and II

Planning

Federal Region works to assure vertical coordination of day care from the local level to the federal regional level and horizontal integration of day care with all other social services.

Standard Setting

Standard setting is at the federal level with compliance monitoring at the state level. State reporting requirements to Federal Region on compliance activities.

Participant Groups

Federal regional office, state social service agencies, local units of goverment, local providers and parents.

Direction of Input

Federal regional initiatives flow down to states and local levels. Local and state input flow upward in response to federal initiatives.

Funding

Continue current sources of funding. Possible expansion of funding to include special revenue sharing and/or HUD planning grants.

* * * *

Common Features of Strategies III and IV

Planning

The option to plan or not plan lies with the state.

Standard Setting

The primary focus of standard setting is at the state level. Local units of government may decide to establish local standards which complement or exceed state standards.

Participant Groups

State social service agencies will determine who will participate. Federal regional office and local office input will be at the discretion of the states. Federal regional office will continue to monitor for fiscal accountability of federal funds.

Funding

Funding will continue from current sources, i.e., Federal Title IV-A with state matching. (Local matching will be determined on the basis of the final form of the new DHEW social service regulations.)

00034

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

2.5.1 Federal Regional Office Tactics for Strategy I.

1. *The federal regional office will have to increase its monitoring and performance evaluations of state administering agency actions vis-a-vis FDCR.*

This will require assigning regional office staff responsibilities for monitoring state implementation of the 1972 FDCR. This is a change from the present regional situation in which there are no full time staff assigned to monitor state implementation of FDCR. We would recommend that a minimum of three staff be assigned this function; one staff person for Oregon, one staff person for Washington, and one staff person for Idaho and Alaska. If possible, the individuals selected should have a background in day care licensing and child development. There may be individuals currently on the regional staff who could be reassigned to carry out these responsibilities.

2. *The staff assigned to monitor state activities will need to develop formal and specific monitoring guidelines.*

The 1972 FDCR require the measurement of a large number of factors. These factors range from very specific to very general. The measurement of the more general requirements such as prohibiting psychological abuse of children requires the development of sensitive indices.

The development of day care monitoring guides provides an excellent opportunity to involve state day care licensing specialists. These state specialists will bring actual field experience in monitoring to the regional office staff. The product of this effort would provide each of the four states with a guide for monitoring day care provider compliance with the 1972 FDCR. Such a uniform measurement tool for the Region, would assure that all day care providers are monitored in a consistent manner.

Prior to adoption, the guide should be pretested to determine the validity of the indices developed and ease of use by monitoring workers. After pretesting, appropriate modifications should be made.

The second regional monitoring function will require the development of criteria to measure the performance of state administering agencies. An agency performance monitoring guide should include the following performance indicators:

00036

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00037

A. Adequacy of state staff mandays available for monitoring, follow-up assistance, and day care licensing.

The Region should develop indices of state staff adequacy in terms of mandays available to carry out annual monitoring and follow-up visits to providers who accept federally funded children. Unco has prepared two formulas for measuring the adequacy of staff mandays available for monitoring and follow-up.

Formula I Minimum Staff Mandays

In-Home Providers	1/2 day per home
Family Day Care Homes	2 days per home
Group Day Care Homes	2 days per home
Day Care Centers	3 days per center

Formula II Desired Staff Mandays

In-Home Providers	1 day per home
Family Day Care Homes	3 days per home
Group Day Care Homes	3 days per home
Day Care Centers	5 days per center

These days will rarely be consecutive at any one site. A probable schedule would be an initial one day monitoring visit to a family day care home and a two day visit to centers. Weak compliance areas would be identified, using the monitoring guide and appropriate follow-up assistance would be scheduled for another date.

It is recommended that initially Formula I be used to determine if adequate monitoring can be accomplished within that time frame. If it is demonstrated that the desired results are not obtained, then Formula II should be used. When determining available mandays, provision must be made for staff who have job responsibilities other than federal day care monitoring. The mandays diverted to other functions must be subtracted.

B. The adequacy of state staff in terms of skills and competencies related to day care.

Specifically the following areas need to be examined:

1. Position descriptions and experience requirements for state day care licensing/ workers.

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00039

2. Present staff's experience related to day care monitoring

-- Experience in day care licensing.

-- Experience in social services and/or child development, early childhood education.

-- Formal educational background related to child development or human services.

3. Availability and use of state in-service training opportunities to upgrade skills of day care workers.

C. Appropriateness and adequacy of administering agencies' training plans for day care providers.

The provider training plans will need to be assessed for a number of features:

1. Comprehensiveness -- does the plan cover the full range of providers, i.e., family and group day care, day care center staff, and in-home providers as appropriate?

2. Maximum resource utilization -- does the agency avail itself of a wide range of existing cost-effective training resources? This would include, but not be limited to, the agency staff, community resources such as community colleges, and providers.

3. Appropriateness of training models -- for many training sessions, it would be appropriate and cost effective to include in-home, family, and center providers in one session, etc.

4. Relevance of training content -- relationship of training offered to the results of the monitoring studies. The obvious point to be made is that training should relate to the weakness observed during compliance monitoring.

5. Participant selection criteria -- the primary criterion for selection should be provider need based on intake-screening or monitoring results. However, training sessions should be open to any provider who desires to attend on a space-available basis.

00040

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

D. Adequacy of administering agency plans for arranging support services.

Agency plans for arranging day care support services (health, mental health, and social services) will need to be evaluated under the 1972 FDCR. Consideration should be given to the following factors:

1. Agency access to and use of information on the availability of community resources in areas with federally supported care.

2. Agency mechanisms for providing services not readily available from community resources.

3. Existence of mechanisms for operators to inform the agency of a child's need for services.

4. Guidelines for appropriate agency action in response to an identified service need.

5. Existence of an agency plan to assist operators in identifying behavioral and learning problems of children.

6. Methods used by the agency to monitor and evaluate those centers which provide support services directly.

E. Role and impact of the state administering agency advisory committee.

The 1972 FDCR posits a fairly limited role for the administering agency advisory committee. Our findings indicate that all four of the states have an advisory group at the present time. From a monitoring standpoint, attention should be directed to the range of activities that the advisory group has undertaken, the support the administering agency has given the advisory group in its activities, and finally the frequency and content of the advisory group meetings.

F. Adequacy of agency non-compliance follow-up activities.

The final aspect of monitoring the administering agencies should be an analysis of the agency actions related to non-compliance follow-up with providers. Monitoring can be used in two ways. It can function to reduce the total number of providers by removing

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00643

certification in instances of non-compliance. Or, a more constructive method is to use monitoring as a means of upgrading providers capabilities. We would recommend the second approach to monitoring be the focus of state actions. The first method should be used only when imminent danger to the children in care exists or when the provider refuses to bring this program into compliance. The analysis of the administering agency must consider the following:

1. Are providers informed of the deficiencies found in the monitoring review?

2. Does the agency recommend actions which should be taken to correct the deficiencies noted? Does the agency develop training to assist providers?

3. Is a specific time frame given to the provider to correct the deficiencies? Is the time frame reasonable given the nature of the deficiencies?

4. Does the agency follow-up to assure deficiencies are corrected at the end of the allowed time?

5. What sanctions are applied to providers who do not upgrade their program to meet the requirements? This factor is highly important in evaluating the agency performance. If the agency has followed through in the first four items listed, then some sanction would appear to be in order for the provider who is still out of compliance. *Our recommendation would be to have the agency declare the provider no longer eligible for federally funded children until the deficiencies are corrected.*

The federal regional office will require information from the administering agencies regarding the actions which they have taken in administering the day care program. *It is recommended that the administering agencies provide a quarterly action report to the regional office.* (See format in 2.5.5, Suggested Models for Use in Implementing Strategy I.)

This quarterly action report can be analyzed by the federal regional office to identify each administering agency's progress toward ensuring quality child care.

00041

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00045

Any significant deviations from the quarterly action plan can be noted, and a plan for corrective action can be developed and implemented. The quarterly action report provides the federal regional office with information to monitor progress and update its plans for the regional day care program. The administering agency can use the report as a basic planning document for the future as well as to measure progress against current planned objectives for the day care program. This action plan will include specfic areas of technical assistance the Region will need to provide to upgrade the quality of the state day care programs. The administering agency will have a framework in which to more effectively predict staff requirements. Actions required to upgrade staff capabilities, and finally states will have a consistent definition of federal regional office expectations.

The development of a monitoring guide for evaluating the performance of day care providers is the other crucial aspect of the monitoring process. The results obtained from monitoring local providers feed administering agency action plans. The agency training plan should be a natural outgrowth of monitoring findings; and, the administering agency can use monitoring findings to develop an action plan for upgrading the qualtiy of care within its jurisdiction.

The implementation of the monitoring program outlined above will accomplish the following desirable objectives:

A. Provide a uniform method for evaluating compliance with federal standards and a uniform baseline for upgrading the quality of care in the Region.

B. Provide the federal regional office with up-to-date information on which to base regional actions in support of state efforts.

C. Provide the state administering agencies with updated information for their own planning activities, based on their performance and the performance of the providers.

D. Provide the administering agencies with a clear idea of federal expectations and federal goals for quality day care.

E. Provide day care operators with an understanding of the administering agency's purpose in monitoring and agency expectations.

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

Concurrent with the performance monitoring, the federal regional office should continue the fiscal auditing that has been started. The fiscal audit should confine itself to the accountability for the expenditure of federal funds. There is, however, a point of mesh between the performance audit and the fiscal audit. A policy decision must be made as to what will be an acceptable level of compliance with the FDCR. It is our opinion that an expectation of perfect compliance is too stringent and would unnecessarily inhibit the movement toward upgrading the quality of care. *After the initial period required to implement the monitoring mechanisms, a recommended acceptable range of expected compliance would be 95% and above. That is 95% or more of the providers would either meet all requirements or the state would have developed and implemented provider plans for upgrading care.*

3. *A corollary Regional tactic for Strategy I is the encourgement of a planning process for all social services, including day care, within each of the states in the Region.*

The purpose of a planning and coordination process, as it relates to quality day care, is to integrate quality day care issues into the overall planning process for social services. What should result is that day care planning will not be restricted to the current emphasis on the number of slots required to support other social service activities. While this aspect of day care planning is certainly important, the concurrent need is that a continuing focus on quality be maintained. Day care planning should also include what additional resources will be needed to maintain and/or upgrade the quality of day care. Presented in this section are the tactics the federal regional office should undertake to maximize the effectiveness of social planning in the four states. The tactics to be used by the states and local governments will be described in later sections.

A social services development process requires that planning, management, and control be inseparable government functions. In recognition of this, planners have turned to such concepts as Program Planning Budgeting Evaluation Systems (PPBES), choice and decision theory, and simulation models. This recent attention to building middle-range bridges that would link comprehensive planning to policy making has not progressed sufficiently to provide governors, mayors, and managers with timely and adequate data and analytic support for decision making.

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00019

However, lack of attention to the need for developing state and local integrative processes could have a serious impact on all of the human services under special revenue sharing. Professional planners suggest two divergent purposes of planning--the more efficient management of development, and the redistribution of resources to people currently disadvantaged by present power arrangements, particularly minority groups. Under the latter purpose, to redistribute resources, new local management systems are needed. In addition, planners' attention must be focused on the broad social implications of planning. If planning is to help deal with the problems of the disadvantaged, the planning process must include mechanisms for incorporating their views and needs. Otherwise, special revenue sharing may mean a distribution of resources from the poor to the affluent.

Special revenue sharing, to be effective, therefore, requires both state and local social services development processes that incorporate the views of minorities and the disadvantaged and is administered and staffed by an analytical staff receptive to social planning.

Further, the tendency in special revenue sharing toward physical facilities and capital improvements will again push human services into the background. This facilitates a return to the urban renewal entrepreneurial strategy of the 1950's and early 1960's.

Unless a unified planning process emerges in the states and localities, many of the traditional problems plaguing the federal intergovernmental transfer system will continue to thwart the attainment of state and local objectives. Duplication, waste, and competition will continue. Therefore, the community development process adopted must have an intergovernmental relations capability which can assimilate and coordinate in the development process general revenue sharing funds, categorical grants in aid, and other special revenue-sharing funds (manpower, education, transportation).

A. Emphasize the need for adequate staff support.

A social services management and planning process has two fundamental characteristics--systematic coordination and projection into the future. To Conduct these tasks requires a staff having both analytical and managerial ability.

A major problem to be overcome in developing the needed coordination, projection, and comprehensiveness is the conceptual gap between planners

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00051

and other technicians and decision makers, since the decision makers find it increasingly difficult to comprehend the technicians' work.

Means to improve communication between these groups, including pilot testing of various group techniques and media advancements developed in private industry should be explored.

The hallmark of the social services development process is that it should consider the large and crucial middle ground of probable and possible achievement which benefits the present human services problems while shaping the future. A staff responsible for the development process must give appropriate speed of response and flexibility to the needs of the chief executive. The process will require a staff capable of performing advance analysis and problem solving, and, most importantly, of providing the types and amount of information and assistance at those points in decision making where it is needed.

B. Provide technical assistance to the states, where needed, in the design and implementation of an integrated human services plan, including day care.

The Federal Regional Council may need to identify key personnel within the various agencies with particular expertise in social planning. This staff would then form the technical assistance team available to the four states.

2.5.2 State Tactics for Strategy I.

1. *Each administering agency will have to evaluate the number of available mandays for monitoring day care providers.*

This will require each state to determine the total number of mandays currently available for day care monitoring. The available mandays will need to be measured against the total required days, based on the following formula:

00052

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

80853

Formula I Minimum Staff Mandays

In-Home Providers	1/2 day per provider
Family Day Care Homes	2 days per home
Group Day Care Homes	2 days per home
Day Care Centers	3 days per home

When determining required mandays for monitoring and evaluating, allowance needs to be made for new applications, the above formula would be sufficient to allow adequate mandays for the initial licensing of the various providers. Where deficiencies in staff available for monitoring exist, recruitment of staff would immediately occur.

2. *Each state should assign a licensing specialist the responsibility to work with the federal regional office to develop a monitoring guide.*

The staff member assigned should review current state monitoring guides for adequacy and completeness. Weaknesses in the current monitoring system should be identified to ensure that the experiences of the states is incorporated into the final monitoring guide developed.

3. *The administering agencies should assess the competency level of the staff assigned to day care and provide adequate in-service training.* For each staff member currently assigned, a training plan should be developed to upgrade skills. In conjunction with the federal regional office, a training program should be designed to familiarize staff with the new federal requirements and the new monitoring procedures.

4. *A statewide inventory should be undertaken to identify sources of the required support services.* Geographic areas with inadequate community resources should be identified. The agency should develop a plan to supply the support services to these areas on an as-needed basis. Should it prove to be impossible to provide support services to any area, a waiver request should be initiated and submitted to the federal regional office.

5. *Each administering agency should notify the affected providers of the new 1972 requirements when they are adopted.*

It is recommended that a letter be sent to each provider who cares for federally funded children. The letter should outline the major changes related to staff/child ratios, program requirements, and record keeping requirements. The letter should also include the dates of a series of regional meetings to discuss in more depth the changes in requirements, monitoring procedures, and the

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00055

level of training that can be expected by the providers. These meetings should provide the impetus for the operators to initiate the changes required to upgrade the quality of care.

6. *The four state welfare agencies should study the payment level for children for which they make payment.*

The 1972 FDCR will impact the costs incurred by day care providers. The administering agencies should conduct a study in association with the providers to determine the cost of providing care under the new requirements. A new payment rate should then be developed based on the results of the study. To relate the payment schedule more closely with the provider costs, it is recommended that two committees be formed, one consisting of a cross section of day care center operators within the state. This committee should include private profit, private non-profit, and public center operators. The cross section should also include operators who run smaller centers (under 30 children), medium centers (30-60 children), and larger centers (60 or more children) as well as centers from a broad geographic distribution. The second committee would be composed of a geographically representative sample of family and group day care home providers. During the development of the new payment rates, consideration should be given to the following factors:

A. Differing payment rates to the various types of day care providers. The costs related to the type of care may be quite different. It may be advantageous to have different rates established for day care centers, family and group day care homes, and in-home care. The State of Oregon currently utilizes the differing rate structure.

B. Payment rates might be based on the age of the child. The higher staff/child ratio for younger children increases the costs to day care centers. The limitations placed on the number of children allowed in family and group day care homes when infants are in care reduces the income potential of these providers.

C. Higher rates should be given to day care centers which provide support services and transportation. When centers provide support services, their costs increase. If the center does not provide these services the administering agency is required to arrange such services. The direct payment to centers for such services can increase the availability of such services especially in areas where they are in short supply. The payment for

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

transportation services can resolve a major problem faced by low income consumers of day care services.

7. *The administering agencies should develop a standardized set of forms for each operator to use for record keeping purposes.*

The 1972 FDCR in Section I.K.1, I.K.2, and Section I.P.4 outlines the content of the file that must be maintained for each federally funded child in care. To assure uniformity in record keeping and ease in monitoring, it is recommended that each administering agency develop the forms required for record keeping. In addition to the record keeping items listed in the sections indicated, it is recommended that a form be developed for parents giving providers permission to obtain emergency medical treatment (or to refuse to give such permission).

8. *Each state should develop a written parent grievance procedure.* The 1972 FDCR requires that such a procedure be given to all parents and explained. This should be done at the time of developing the parent's day care plan.

9. *Each administering agency should develop an interview guide for operators to use when interviewing parents at the time of enrollment.*

There was a wide disparity in the content of interviews with parents by the day care providers. Section I.P.1-3 of the 1972 FDCR outlines the required items which need to be discussed in the enrollment interview.

10. *Each state should offer all day care providers low-cost liability insurance at the time of licensing. Purchase of this or some other liability insurance should be a requirement for licensed providers.*

Although day care centers usually purchase their own liability insurance, family, group, and in-home providers rarely have this type of protection.

11. *Each agency should develop needed support systems required for monitoring system, and fulfill the requirements for the agency quarterly action report.*

The administering agency will need to develop an information system to support the overall monitoring effort. The administering agency will need to develop a method for gathering, processing, and using the information for short-term planning and self evaluation.

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

One of the uses of the information obtained is to complete the quarterly action report. It has been recommended in this chapter that each administering agency submit a quarterly action report to the federal regional office. Recommended contents of this report appear in the Section 2.5.5, Suggested Models for Use in Implementing Strategy I.

Because of the volume of information required, there will be a need to have an automated system for processing much of the information. The administering agency should work closely with the EDP specialists to develop input forms to obtain the required information. Particular attention must be given to developing a method of purging the computer files that are developed. One serious problem the contractor encountered with the lists of providers submitted to DHEW to carry out this contract was a significant number of providers on the lists were no longer accepting federally funded children or had gone out of the day care business entirely. This would indicate the absence of an effective purging system in those states that had an automated system in April, 1972.

The most important use of the quarterly action report is in the area of short-term planning and self-evaluation. The information gathered provides in summary form a description of the activities undertaken by the agency to ensure a quality day care program during the previous quarter. It also presents a profile of the day care program within the agency's jurisdiction. The agency can identify developing trends such as shifts in types of providers (e.g., a greater percentage of in-home care providers); identify regions where a shortage of slots exists and additional recruitment efforts may be required; identify patterns of deficiencies so training plans can be developed. These are just a few of the areas in which the information obtained can be used for short-term planning. The data for the quarterly action report also provides a quick means of measuring actual performance against desired or projected performance. If projected objectives are consistently higher than actual achievements, it could indicate a need for reassessing the workload formula used to measure staff needs. Also, staff needs can be projected more accurately by analyzing any increase in the number of providers.

The information for the quarterly action report represents what is considered to be the minimum amount of information required for planning and self-evaluation. Each agency may want to expand from this base for individual needs. Some possible areas agencies may want to consider gathering additional information would be:

00060

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

A. Why parents needed day care. This could provide baseline information to identify the range of social services which use day care as a support service (e.g., employment and training, children's protective services, etc.)

B. Parental preferences among types of day care settings.

C. Measures to determine the impact of day care as a support service. A relatively simple measurement technique is to identify the purpose for providing day care for an individual case. An example would be to allow a parent to participate in a training program. When day care is terminated, the reason for terminating day care might be the completion of the training program. Therefore, day care was successful in supporting the training services provided. If the goal was not achieved, the reason for not achieving it would need to be determined. If a day care problem was the cause for non-achievement of the goal, then corrective actions could be determined to prevent similar situations from occuring in the future. To implement this impact measurement system, only two pieces of data are required: the purpose for providing day care services, and the reason for terminating day care services.

The above areas are suggestions of areas to consider when developing an information system. They do not represent an exhaustive list. Each agency should identify the information they need for analyzing their program.

12. *Each state welfare agency should examine its current organizational structure for day care licensing and monitoring.*

The first recommendation regarding the organizational structure is a change in the personnel assigned to in-home certifications. In each of the four states in the Region, there are no specific staff members assigned to certify in-home care providers. The general pattern that exists is that in-home care providers are certified by the caseworker assigned to the parents' case. *It is recommended that specific staff be assigned the responsibility for in-home care certification. The staff assigned to in-home care certification should also be in the same administrative unit as the staff assigned to other aspects of day care licensing and monitoring*, since many of the same skills are required for the licensing and monitoring of these types of providers. The 1972

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

99863

require that in-home providers meet many of the same requirements as the other type of providers. With the increased focus of the new standards on in-home care, it is appropriate to move the personnel assigned into the mainstream of day care monitoring.

The second organizational recommendation relates to regionalized versus centralized day care administration within the state. Chapter IV of this report describes the current organizational structure in the four states in Region X. Organizational structure did not appear to be a determining factor in the quality of day care program administration. However, there are certain advantages to a regionalized structure. Among the advantages are:

A. The coordination with local levels of government can be done more effectively when the day care staff is in a close geographic proximity.

B. The monitoring staff is more readily accessible to the local providers.

C. The volume associated with in-home care requires locally based staff.

D. Travel time and costs are reduced when staff are assigned on a regional basis.

E. The central office staff can concentrate on statewide planning and coordination of the day care program and can function as a monitor of regional activities.

F. A regionally based staff can assist local levels of government and providers in the development of local planning efforts. *It is recommended that the monitoring staff be assigned to regional (or local) offices.* Administratively, this staff would report to the local administration. The central office staff would be responsible for statewide planning, coordination, consultation to the regional offices, and monitoring of regional office activities.

2.5.3 State Role in the Design of the Social Service Development Process.

The second feature of the strategy is the design of a Social Service Development Process. The diagram on page 2-29a illustrates a process model which includes the features

which need to be considered in the design of such a planning and management system. The purpose of designing such a process is to incorporate quality day care issues into the overall planning process for social services. Because day care is potentially a support service to a wide range of social services, it is imperative that day care be an integral part of the social service planning process. The state is the primary focus in the social service development process. The federal regional office can be available for technical assistance to the states when designing such a system. Local units of government and local parents and caregivers provide input so local considerations are incorporated into the state plan for social services. However, the ultimate success of the social service development process lies with the state. The capacity and willingness of the state and the state agencies to move toward integrative planning for the delivery of social services, and away from the current fragmented approach will determine the success of this process. The potential impact of integrated planning is to ensure state allocation of adequate resources for day care and an increased ability to plan for overcoming gaps in the current day care delivery system.

1. *States must begin immediately to design a social service process to ensure the constructive phasing of general and special revenue sharing with existing social services policy processes, categorical aid, and other planning-coordination systems (i.e., A-95).* The development process should enable states to move away from year-to-year planning and management characterized by a lack of evaluation of performance and results and an inability to relate short-term programs to overall objectives and strategies.

A. The most important action states can take is to move toward integrative structures. There does not appear to be any one ideal organization or design; however, states must begin to design integrative organizational structures.

B. Consider taking the following steps in designing the social services development process:

-- Define the requirements posed by changes in day care and other social services funds, general and special revenue sharing, and planning and coordination mechanisms.

-- Assess existing processes, programs, services, goals, objectives, strategies, and resource allocation mechanisms.

99065

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00668

-- Design a new system including objectives, strategies, mechanisms, organizational arrangements, procedures, responsibilities.

-- Program the new system through testing limited activities.

-- Prepare new policies and procedures for operations.

-- Train personnel.

-- Implement the system.

-- Monitor and assess system performance and make necessary modifications.

C. States might review and adopt one of a number of alternative mechanisms for accomplishing the design of the process:

-- Establish a task force responsible to the governor and composed of all state agencies involved in social services; in addition, regional federal officials might be included.

-- Assign responsibility for design to the state social services or planning department.

-- Hire outside consultants to work with the state.

-- Assign federal and other agency personnel to states to assist, for a one-year period, on a demonstration basis under the Intergovernmental Personnel Act.

-- Obtain federal support and financial assistance to develop a state process.

-- Utilize Federal Regional Council staff.

None of the functional tools of the process such as programming and planning will be ultimately successful unless there is a continuous application of a common process to all of the state's social service activities. Such a process, therefore, must be established as soon as possible.

00667

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00688

2.5.4 Local Roles in the Social Service Development Process.

At the local level a number of actions may be needed in dealing with day care:

1. In many states, enabling legislation may be needed to give local governments and areawide bodies power to deal with day care problems.

2. Means must be found to relate private agency involvement in the social services areas to newly emerging local public involvement.

3. Promote joint city/county task forces to work out appropriate roles in handling social service delivery including child care.

What is being proposed for local governments is an increased role not only in day care, but also in social services generally. Specifically, local levels of government should undertake the following steps:

1. The problem of day care is a metropolitan or regional, and not solely central city problem. This being the case, efforts to improve the functional planning of day care services need to be improved in a metropolitan context. In the present circumstances, the 4-C committee has neither the financial resources nor leverage to impact on the quality and level of day care services. In order to remedy this situation, it is suggested that staff support for this committee be lodged in the COG or regional planning body.

By lodging functional responsibility for planning of day care at the metropolitan level in either the COG or regional planning body or in rural areas, a substate district day care as a support activity may also be more closely linked to other services.

2. Metropolitan governments would do more to further the integration of social services by establishing broader and more encompassing Offices of Human Resources rather than establishing an office for child care alone. The latter would tend to distort planning for total social service delivery and increase administrative costs.

00069

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00070

3. State-local cooperative efforts to improve the quality of day care services will be required regardless of federal actions. This requires cooperative efforts to improve the monitoring of day care; joint work on developing state standards for licensing; and involvement of local and areawide bodies in the state planning processes by which resources are allocated to day care and other social service areas.

4. Metropolitan and local areas (local 4-C's) should encourage linkages among local day care providers, such as day care systems and information and referral services for coordinating locally available day care resources. Other services, such as an area-wide day care substitute pool and locally sponsored workshops through community colleges would serve the dual purpose of improving locally available day care and facilitating provider compliance with FDCR.

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00072

2.5.5 Suggested Models for Use in Implementing Strategy I.

Model for a Social Services

Development Process

This model involves three major phases:

(1) THE DEFINITION AND SELECTION OF OBJECTIVES, GOALS, AND CRITERIA (VALUE FORMULATION)

-- Systematic data and information collection on current conditions, problems, and trends and the preparation of progress reports.

-- The establishment of explicit goals and objectives, programs, alternatives, and strategies to meet needs and objectives.

(2) THE IDENTIFICATION AND SELECTION OF PROGRAM/PROJECT ALTERNATIVES (MEANS IDENTIFICATION)

-- The design of innovative and experimental projects and their performance evaluation.

-- The establishment of specific targets for accomplishment, the establishment of methods of evaluation, and determination of sources of funds required for completion.

-- The determination of the financial constraints of program development and operations and the impact of fiscal policies on objectives.

(3) THE IMPLEMENTATION OF ACTION TOWARD GOALS (EFFECTUATION)

-- The programming of resources through inventory and assessment, the investigation of alternative allocation patterns, and the scheduling and timing of investment and resource decisions.

-- The evaluation of progress and results of projects.

-- The ongoing assessment of duties and responsibilities of agencies and private agencies for gaps, overlaps, and linkages.

Federal regional technical assistance and coordination efforts should emphasize each of the seven major aspects of a comprehensive community development process:

Planning. The planning aspects of the development process should be geared to helping the decision

00073

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00071

makers think, decide, and act more effectively and to ensure that the decisions made are consistent with, complementary to, and supportive of the state's objectives and desired directions. The fact that a development plan may emerge from this process should not be of primary importance since it is not the plan that spells the difference between success and failure. The importance of the plan is that it helps in making managerial decisions. Planning, therefore, is a management tool that avoids or corrects deficiencies in traditional state decision mechanisms which have dealt inadequately with gaps, failed to consider the ramifications of goals and policies, and tended to undervalue the future in attempting to decide short term issues.

Comprehensiveness. Comprehensiveness of the development process means that planning and decision making should consider all the significant elements of the environment, relate them to trends, and take into account social and economic factors. A comprehensive process should identify and examine the ramifications of proposed means to the important ends and should be sure that all components of the means are carefully designed.

Coordination. An essential ingredient of the development process is coordination--the pulling together of elements. It can be considered both a process and a result. It can include agencies, programs, projects, and levels of government. (It is interagency, intergovernmental, interprogram, etc.) It can take place laterally (consultation, sharing of information, negotiation among equals), or it may involve the intrusion of a higher authority to settle conflicts.

Programming. Programming within the development process involves the process of selecting from alternative possible programs those which are likely to achieve desired objectives and yet are financially feasible. It is closely associated with the scheduling and timing of project implementation and the allocation of resources.

Budgeting. Budgeting is a tool used in planning and is an expression of the plan in financial terms showing what resources are required and what payoffs result. It does not relate to the determination of goals.

Resource Allocation. To implement plans, resources must be allocated. Resources are generally scarce; thus, decisions must be made regarding dividing

00075

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00076

limited resources among competing claims. Administrative machinery and techniques must be applied for making consistent allocative decisions. Allocative decisions are generally based on tradition, pressure, or preference. A social service development process should assist in relating allocation more closely to planning and programming. In this instance, day care allocations should be related to primary services.

Organization. Organization serves as a method for translating plans and programs into results by effectively defining the basic activities to be performed and determining the best arrangement of these activities within the organization as a whole. Organization permits the assignment of tasks to specific individuals, units and groups. This provides the framework within which the other functions of the process can be met and executed more effectively among and between personnel.

00077

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

88078

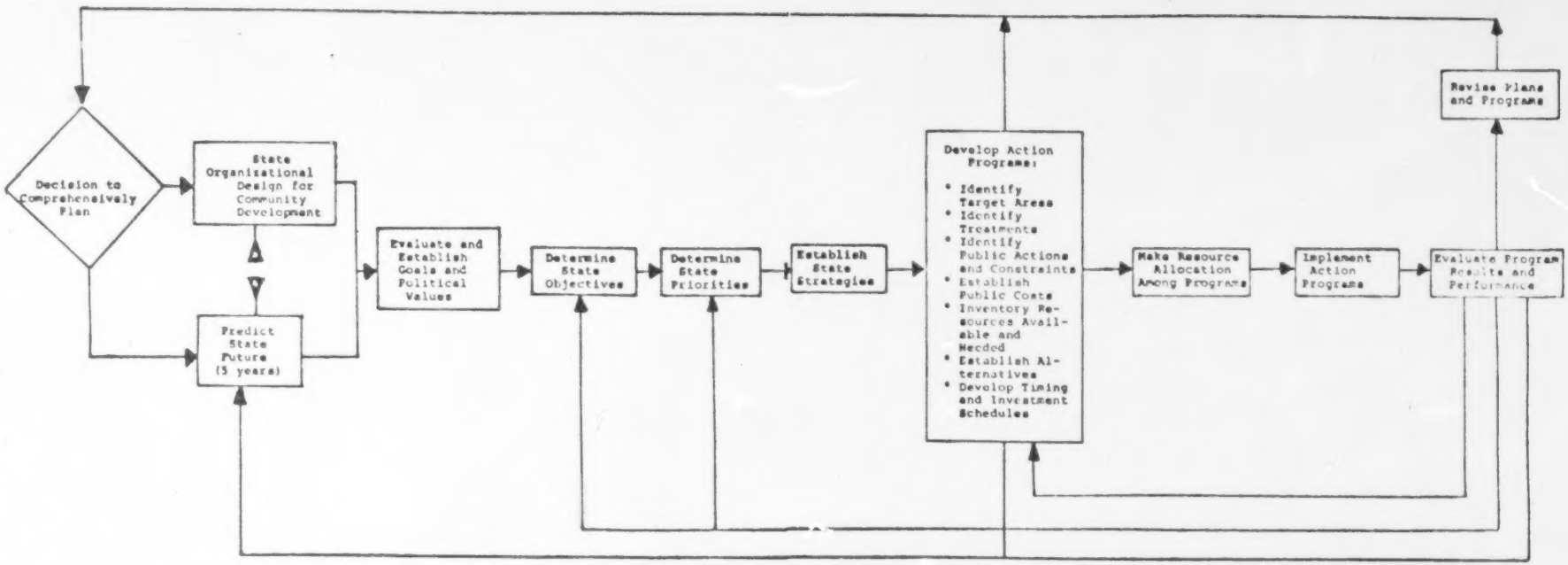
Decision to Comprehensively Plan
State Organizational Design for Community Development
Predict State Future (5 years)
Evaluate and Establish Goals and Political Values
Determine State Objectives
Determine State Priorities
Establish State Strategies
Develop Action Programs:
• Identify Target Areas
• Identify Treatments
• Identify Public Actions and Constraints
• Establish Public Costs
• Inventory Resources Available and Needed
• Establish Alternatives
• Develop Timing and Investment Schedules
Make Resource Allocation Among Programs
Implement Action Programs
Evaluate Program Results and Performance
Revise Plans and Programs

FIGURE 2.1 SOCIAL SERVICE PLANNING AND MANAGEMENT PROCESS

BEST COPY AVAILABLE

BEST COPY AVAILABLE

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

20680

2.5.6 Suggested State Data to be Included in Quarterly Action Reports to Region X.

1. The number of monitoring studies completed by the state.

2. The results of the studies:

   a. Number of providers without deficiencies, by type of provider.

   b. Number of providers with deficiencies, by type of provider and deficiency.

   c. Plan for corrective action.

3. Number of provider training sessions given and their subject matter.

   a. Number of providers attending, by type of day care setting, e.g., center staff, group providers.

4. Number of requests for support services received.

   a. Action taken on request (coded format).

   b. Results of action (coded format).

   c. Reasons for not providing support services (coded format).

5. Number of providers by type who were out of compliance in previous quarter's report and who now meet all requirements.

6. Number of providers by type who were out of compliance in the previous quarter's report that still remain out of compliance.

7. Number of providers by type who had federal certification revoked.

8. Number of new federal certifications by provider type.

9. Total number of federal slots filled, by provider type, at end of quarter.

00081

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

00082

10. Total number of unfilled federal slots, by provider type at end of quarter.

11. Total number of full time equivalent staff assigned to day care monitoring.

12. Recap of staff training provided during the quarter.

13. Recap of the quarter's objectives that were either met or not met, based on items 1-12.

14. Projected action plan for next quarter based on items 1-12.

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

2.5.7 Implications of Strategy I.

The adoption of the Federal Strong Arm Strategy provides the Federal Regional Office with the opportunity to have a more direct impact on the quality of day care in Region X. However, there are certain implications inherent in the adoption of this policy. Potential disadvantages of adopting this strategy include:

1. *An increased cost to the federal regional office for staff and staff related expenses.* These costs are estimated to be approximately $70-75,000 annually ($45,000 in direct salary and $25-30,000 in support costs).

2. *An increase in the per day, per child cost at the provider level if 1972 FDCR are adopted and enforced.* (See Chapter 6, Vol. III of this report for details on the cost of care.) The total increase in cost is difficult to estimate because of the mechanisms available to states to reduce the eligibility pool or to increase provider reimbursements. The overall cost implications are further blurred since federal expenditures for day care services are based on the level of state expenditures.

3. *A significant increase in administrative costs to the states to increase staff for the monitoring functions.* It is difficult to estimate accurately the probable costs to the states due to the uncertainty of the impact of certain current federal actions. The phasing out of OEO and Model Cities may result in the closing of day care facilities funded from these sources. The proposed changes in federal social service regulations related to day care may result in a decrease in the number of providers needed for federally supported care.

A final variable which would impact costs under this strategy is the potential increased staff requirement to offer provider training as a result of increased federal compliance efforts.

Each state will need to determine the number of mandays required to monitor the various types of providers, and allocate the staff accordingly. If we assume that the total number of providers remains constant and turnover and application rates also remain constant, the following are estimated staff costs per state for monitoring federally funded day care providers only:

00855

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

Washington:

--Day Care Centers, 4 staff @ $12,500 per year = $50,000

--Family and Group Day Care Homes, 16 staff @ $9,624 = $153,984

--In Home Care (Assumes a 60% turnover rate), 4 staff @ $9,624 = $38,496

--Total direct staff costs for day care monitoring (excludes supervision) = $242,480

Oregon:

--Day Care Centers, 6 staff @ $9,000 = $54,000 (Assumes Oregon will continue four visits per center per year)

--Family Day Care Homes, 12 staff @ $5,400 = $64,800

--In Home Care, 3 staff @ $5,400 = 16,200

--Total direct staff costs for day care monitoring (excludes supervision) = $135,000

Idaho:

--Day Care Centers, 2 staff @ $7,680 = $15,360 (Assumes Idaho will continue to conduct semi-annual reviews)

--Family Day Care Homes, 6 staff @ $7,680 = $46,080

--In Home Care, 1 staff @ $7,680 = $7,680

--Total direct staff costs (excludes supervision) = $69,120

Alaska:

--Day Care Centers, 1 staff @ $13,800 = $13,800

--Family and Group Day Care Homes, 4 staff @ $13,800 = $55,200

--In Home Care, 1 staff @ $13,800 = $13,800

--Total direct staff costs (excludes supervision) = $82,800

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

The figures presented for the four states represent total statewide full-time staff equivalents. Geographic distribution of the caseload will require adjustments for individual worker's case load composition. The movement toward regionalization of day care monitoring can result in more full-time day care licensing caseloads if in-home care is included in the caseload. *The cost figures presented do not represent net increases in costs for the states but total direct staff costs for the monitoring of federally funded day care providers.** The states will have additional costs for the monitoring of providers who do not care for federally funded children.

4. *Increase in indirect costs for training providers and state staffs.* Little attention is currently being devoted to state in-service training for staff or to day care provider education. In Washington and Alaska the state Departments of Education offer workshops and materials in early childhood education. One way to limit new training costs and avoid duplication would be to provide the Departments of Education with current lists of specific provider and day care staff training needs as input to the departments' workshop and publication planning process. All licensed day care providers should be put on a state mailing list for announcements and publications.

5. *State Welfare Departments may choose not to provide day care services.* The increased costs and federal presence could result in the state agencies choosing not to provide day care. The proposed federal social service regulations make the provision of day care an optional service. With the fiscal problems in the four states of the region, this possibility, while not probable, could be realized.

6. *Increased compliance efforts could decrease the supply of day care available to federally funded children.* Day care providers may choose not to meet the new federal requirements. This possibility is not unlikely unless the rates paid by state welfare agencies are adjusted to reflect the costs of meeting the new requirements.

7. *This strategy does not reward increased state capacities in monitoring and planning.* One of the major disadvantages of this strategy is that the level of effort by the federal regional office remains nearly the same regardless of improved capacity by the states.

---

*Each state is currently expending some monies for monitoring federally funded day care; however, Unco was unable to determine the level of expenditure.

00089

2.5 STRATEGY I

The Federal Strong Arm Strategy

A federal-state social services development planning and coordination process--to improve the use and evaluation of day care services and to assure their quality provision. Concurrently, the federal regional office would begin a performance or quality audit, in addition to the financial audit of day care services to assure compliance with federal standards.

Assumption

There will be a continuation of federal standards.

While there would be a reduction in the amount of technical assistance to the states if capacity improved, this represents a relatively minor portion of the strategy. This continual high level effort can result in an over-investment of federal staff resources and reduction of state incentives for improvement.

Advantages of the strategy:

1. *Provides the federal regional office a mechanism to effectively monitor state activities. The monitoring system is based on performance.*

2. *Ensures that the quality of care is at least equal to the 1972 FDCR.*

3. *Provides both the states and the federal regional office with an action plan that is continually updated to meet changing conditions.*

4. *A planning process is initiated that will integrate quality day care with the other social service planning efforts.*

5. *A mechanism is developed to provide continuity between local, state, and federal efforts in social service delivery.*

2.5.6 Summary: Strategy I.

The Federal Strong Arm Strategy is a two part strategy designed to enable the federal regional office and the states to upgrade the quality of care in Region X. The focus is on what was found to be the weakest link in the current delivery system--administration and coordination. The strategy requires an increased effort on the part of the federal regional offices in the area of performance auditing of state activities in the administration of day care programs. This performance auditing is in addition to the fiscal auditing currently underway. The states are required to increase staff in both a quantitative and qualitative sense to more effectively monitor day care providers. The second part of the strategy requires the design and implementation of a social service development planning process. This process will move quality day care issues from the periphery of social service planning and delivery to become an integrated entity with all other social services which day care supports.

00091

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00492

2.6.1 Federal Regional Office Tactics for Strategy II.

A second strategy proposed for consideration is the adoption of a policy of increasing federal deference towards state actions related to day care as a state's capacity to perform its responsibilities under FDCR is demonstrated. Under this strategy, those states which mount the least effort to upgrade and maintain day care quality and to meet the federal requirements, as evidenced by resource commitment and state licensing and monitoring activities, would receive more attention from the federal regional office. Those states with weak state commitment to day care would receive closer monitoring, more technical assistance, and involvement with the Federal Regional Council and/or appropriate regional agencies until such time as they demonstrate their ability to assure that the standards are being carefully monitored and a high level of compliance is being approached. As state competence is demonstrated, the federal government could decrease its monitoring and support activities. In the deference posture, the Region would do minimal ongoing monitoring to assure that the states did not permit their day care programs to slip below the federal standards. By adopting the deference strategy, the limited federal resources and staff available to day care could be concentrated on monitoring, information collection, technical assistance, and training for those states least capable of providing quality day care while affording the more capable states more autonomy from federal performance audits and direction.

The implementation procedure for a monitoring deference strategy requires the federal regional office to use some of the same tactics developed for Strategy I.

1. *The federal regional office will have to increase its monitoring and performance evaluations of state administering agency actions vis-a-vis FDCR.*

This will require assigning regional office staff responsibilities for monitoring state implementation of the 1972 FDCR. This is a change from the present regional situation in which there are no full-time staff assigned to monitor state implementation of FDCR. We would recommend that a minimum of three staff be assigned this function; one staff person for Oregon, one staff person for Washington, and one staff person for Idaho and Alaska. If possible, the individuals selected should have a background in day care licensing and child development. There may be individuals currently on the regional staff who could be reassigned to carry out these responsibilities.

00093

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00891

2. *The staff assigned to monitor state activities will need to develop formal and specific monitoring guidelines.*

The 1972 FDCR require the measurement of a large number of factors. These factors range from very specific to very general. The measurement of the more general requirements such as prohibiting psychological abuse of children requires the development of sensitive indices.

The development of day care monitoring guides provides an excellent opportunity to involve state day care licensing specialists. These state specialists will bring actual field experience in monitoring to the regional office staff. The product of this effort would provide each of the four states with a guide for monitoring day care provider compliance with the 1972 FDCR. Such a uniform measurement tool for the Region, would assure that all day care providers are monitored in a consistent manner.

Prior to adoption, the guide should be pretested to determine the validity of the indices developed and ease of use by monitoring workers. After pretesting, appropriate modifications should be made.

The second regional monitoring function will require the development of criteria to measure the performance of state administering agencies. An agency performance monitoring guide should include the following performance indicators:

A. Adequacy of state staff mandays available for monitoring, follow-up assistance, and day care licensing.

The Region should develop indices of state staff adequacy in terms of mandays available to carry out annual monitoring and follow-up visits to providers who accept federally funded children. Unco has prepared two formulas for measuring the adequacy of staff mandays available for monitoring and follow-up:

Formula I Minimum Staff Mandays

In-Home Providers	1/2 day per home
Family Day Care Homes	2 days per home
Group Day Care Homes	2 days per home
Day Care Centers	3 days per center

00095

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

Formula II Desired Staff Mandays

In-Home Providers	1 day per home
Family Day Care Homes	3 days per home
Group Day Care Homes	3 days per home
Day Care Centers	5 days per center

These days will rarely be consecutive at any one site. A probable schedule would be an initial one day monitoring visit to a family day care home and a two day visit to centers. Weak compliance areas would be identified, using the monitoring guide and appropriate follow-up assistance would be scheduled for another date.

It is recommended that initially Formula I be used to determine if adequate monitoring can be accomplished within that time frame. If it is demonstrated that the desired results are not obtained, then Formula II should be used. When determining available mandays, provision must be made for staff who have job responsibilities other than federal day care monitoring. The mandays diverted to other functions must be subtracted.

B. The adequacy of state staff in terms of skills and competencies related to day care.

Specifically the following areas need to be examined:

1. Position descriptions and experience requirements for state day care licensing/ workers.

2. Present staff's experience related to day care monitoring

   -- Experience in day care licensing.

   -- Experience in social services and/or child development, early childhood education.

   -- Formal educational background related to child development or human services.

3. Availability and use of state in-service training opportunities to upgrade skills of day care workers.

00097

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

69898

C. Appropriateness and adequacy of administering agencies' training plans for day care providers.

The provider training plans will need to be assessed for a number of features:

1. Comprehensiveness -- does the plan cover the full range of providers, i.e., family and group day care, day care center staff, and in-home providers as appropriate?

2. Maximum resource utilization -- does the agency avail itself of a wide range of existing cost-effective training resources? This would include, but not be limited to, the agency staff, community resources such as community colleges, and providers.

3. Appropriateness of training models -- for many training sessions, it would be appropriate and cost effective to include in-home, family, and center providers in one session, etc.

4. Relevance of training content -- relationship of training offered to the results of the monitoring studies. The obvious point to be made is that training should relate to the weakness observed during compliance monitoring.

5. Participant selection criteria -- the primary criterion for selection should be provider need based on intake-screening or monitoring results. However, training sessions should be open to any provider who desires to attend on a space available basis.

D. Adequacy of administering agency plans for arranging support services.

Agency plans for arranging day care support services (health, mental health, and social services) will need to be evaluated under the 1972 FDCR. Consideration should be given to the following factors:

1. Agency access to and use of information on the availability of community resources in areas with federally supported care.

2. Agency mechanisms for providing services not readily available from community resources.

00099

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00100

3. Existence of mechanisms for operators to inform the agency of a child's need for services.

4. Guidelines for appropriate agency action in response to an identified service need.

5. Existence of an agency plan to assist operators in identifying behavioral and learning problems of children.

6. Methods used by the agency to monitor and evaluate those centers which provide support services directly.

E. Role and impact of the state administering agency advisory committee.

The 1972 FDCR posits a fairly limited role for the administering agency advisory committee. Our findings indicate that all four of the states have an advisory group at the present time. From a monitoring standpoint, attention should be directed to the range of activities that the advisory group has undertaken, the support the administering agency has given the advisory group in its activities, and finally the frequency and content of the advisory group meetings.

F. Adequacy of agency non-compliance follow-up activities.

The final aspect of monitoring the administering agencies should be an analysis of the agency actions related to non-compliance follow-up with providers. Monitoring can be used in two ways. It can function to reduce the total number of providers by removing certification in instances of non-compliance. Or, a more constructive method is to use monitoring as a means of upgrading providers' capabilities. We would recommend the second approach to monitoring be the focus of state actions. The first method should be used only when imminent danger to the children in care exists or when the provider refuses to bring his program into compliance. The analysis of the administering agency must consider the following:

1. Are providers informed of the deficiencies found in the monitoring review?

2. Does the agency recommend actions which should be taken to correct the deficiencies noted? Does the agency develop training to assist providers?

09101

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

3. Is a specific time frame given to the provider to correct the deficiencies? Is the time frame reasonable given the nature of the deficiencies?

4. Does the agency follow up to assure deficiencies are corrected at the end of the allowed time?

5. What sanctions are applied to providers who do not upgrade their program to meet the requirements? This factor is highly important in evaluating the agency performance. If the agency has followed through in the first four items listed, then some sanction would appear to be in order for the provider who is still out of compliance. *Our recommendation would be to have the agency declare the provider no longer eligible for federally funded children until the deficiencies are corrected.*

The federal regional office will require information from the administering agencies regarding the actions which they have taken in administering the day care program. *It is recommended that the administering agencies provide a quarterly action report to the regional office.* (See format in 2.6.5, Suggested Models for Use in Implementing Strategy II.)

This quarterly action report can be analyzed by the federal regional office to identify each administering agency's progress toward ensuring quality child care. Any significant deviations from the quarterly action plan can be noted, and a plan for corrective action can be developed and implemented. The quarterly action report provides the federal regional office with information to monitor progress and update its plans for the regional day care program. The administering agency can use the report as a basic planning document for the future as well as to measure progress against current planned objectives for the day care program. This action plan will include specific areas of technical assistance the Region will need to provide to upgrade the quality of the state day care programs. The administering agency will have a framework in which to more effectively predict staff requirements. Actions required to upgrade staff capabilities, and finally states will have a consistent definition of federal regional office expectations.

The development of a monitoring guide for evaluating the performance of day care providers is the other crucial aspect of the monitoring process. The results

90103

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00194

obtained from monitoring local providers feed administering agency action plans. The agency training plan should be a natural outgrowth of monitoring findings; and, the administering agency can use monitoring findings to develop an action plan for upgrading the quality of care within its jurisdiction.

The implementation of the monitoring program outlined above will accomplish the following desirable objectives:

A. Provide a uniform method for evaluating compliance with federal standards and a uniform baseline for upgrading the quality of care in the Region.

B. Provide the federal regional office with up-to-date information on which to base regional actions in support of state efforts.

C. Provide the state administering agencies with updated information for their own planning activities, based on their performance and the performance of the providers.

D. Provide the administering agencies with a clear idea of federal expectations and federal goals for quality day care.

E. Provide day care operators with an understanding of the administering agency's purpose in monitoring and agency expectations.

Concurrent with the performance monitoring, the federal regional office should continue the fiscal auditing that has been started. The fiscal audit should confine itself to the accountability for the expenditure of federal funds. There is, however, a point of mesh between the performance audit and the fiscal audit. A policy decision must be made as to what will be an acceptable level of compliance with the FDCR. It is our opinion that an expectation of perfect compliance is too stringent and would unnecessarily inhibit the movement toward upgrading the quality of care. *After the initial period required to implement the monitoring mechanisms, a recommended acceptable range of expected compliance would be 95% and above. That is 95% or more of the providers would either meet all requirements or the state would have developed and implemented provider plans for upgrading care.*

3. *A corollary Regional tactic for Strategy II is the encouragement of a planning process for all social services,*

00105

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

0196

including day care, within each of the states in the Region.

The purpose of a planning and coordination process, as it relates to quality day care, is to integrate quality day care issues into the overall planning process for social services. What should result is that day care planning will not be restricted to the current emphasis on the number of slots required to support other social service activities. While this aspect of day care planning is certainly important, the concurrent need is that a continuing focus on quality be maintained. Day care planning should also include what additional resources will be needed to maintain and/or upgrade the quality of day care. Presented in this section are the tactics the federal regional office should undertake to maximize the effectiveness of social planning in the four states. The tactics to be used by the states and local governments will be described in later sections.

A social services development process requires that planning, management, and control be inseparable government functions. In recognition of this, planners have turned to such concepts as Program Planning Budgeting Evaluation Systems (PPBES), choice and decision theory, and simulation models. This recent attention to building middle-range bridges that would link comprehensive planning to policy making has not progressed sufficiently to provide governors, mayors, and managers with timely and adequate data and analytic support for decision making.

However, lack of attention to the need for developing state and local integrative processes could have a serious impact on all of the human services under special revenue sharing. Professional planners suggest two divergent purposes of planning--the more efficient management of development, and the redistribution of resources to people currently disadvantaged by present power arrangements, particularly minority groups. Under the latter purpose, to redistribute resources, new local management systems are needed. In addition, planners' attention must be focused on the broad social implications of planning. If planning is to help deal with the problems of the disadvantaged, the planning process must include mechanisms for incorporating their views and needs. Otherwise, special revenue sharing may mean a distribution of resources from the poor to the affluent.

Special revenue sharing, to be effective, therefore, requires both state and local social services development

00107

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

processes that incorporate the views of minorities and the disadvantaged and is administered and staffed by an analytical staff receptive to social planning.

Further, the tendency in special revenue sharing toward physical facilities and capital improvements will again push human services into the background. This facilitates a return to the urban renewal entrepreneurial strategy of the 1950's and early 1960's.

Unless a unified planning process emerges in the states and localities, many of the traditional problems plaguing the federal intergovernmental transfer system will continue to thwart the attainment of state and local objectives. Duplication, waste, and competition will continue. Therefore, the community development process adopted must have an intergovernmental relations capability which can assimilate and coordinate in the development process general revenue sharing funds, categorical grants in aid, and other special revenue-sharing funds (manpower, education, transportation).

A. Emphasize the need for adequate staff support.

A social services management and planning process has two fundamental characteristics--systematic coordination and projection into the future. To conduct these tasks requires a staff having both analytical and managerial ability.

A major problem to be overcome in developing the needed coordination, projection, and comprehensiveness is the conceptual gap between planners and other technicians and decision makers, since the decision makers find it increasingly difficult to comprehend the technicians' work.

Means to improve communication between these groups, including pilot testing of various group techniques and media advancements developed in private industry should be explored.

The hallmark of the social services development process is that it should consider the large and crucial middle ground of probable and possible achievement which benefits the present human services problems while shaping the future. A staff responsible for the development process must give appropriate speed of response and flexibility to the needs of the chief executive. The process will require a staff capable of performing advance analysis and problem solving, and, most importantly, of providing the types and amount of information and assistance at those points in decision making where it is needed.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

J. Ensuring Care in Emergencies

K. Accounting for Supervision of Children

L. Providing Sufficient Caregivers

M. Ensuring the Competence of Caregivers

N. Ensuring the Accountability of Operators

O. Ensuring a Healthy Staff

P. Admissions Procedures

Q. Ensuring Parent Participation in Decision-Making

R. Ensuring Safe Transportation

When audit findings indicate that 95% of all providers in a state meet the requirements of a FDCR section, then the federal regional office would discontinue auditing for the particular section. Responsibility for monitoring is left to the administering agency, which would continue to report monitoring findings to the federal regional office. When 95% of all providers in the state meet all of the 1972 FDCR then federal performance auditing would cease for day care providers.

2. *Reference in the performance auditing of the administering agency activities related to enforcement of the 1972 FDCR should consider the following items:*

A. Federal monitoring of state administering agencies could cease when the administering agency has assigned sufficient qualified staff to monitor the providers under its jurisdiction. Evidence of compliance would be total number of staff assigned, the qualifications of the staff assigned, a plan to increase staff if the number of providers increases, and a training program for upgrading the skills of staff. In addition, the agency has demonstrated the ability to monitor each provider annually and follow-up on the correction of deficiencies found.

B. Agency performance in arranging health services.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

Monitoring can cease for this requirement when all children enrolled in day care have been provided with the necessary health evaluations and the specified health services and an effective system for new enrollees is in place. Additionally, the agency has demonstrated that the plan for obtaining new statements at the end of either six months or one year is functioning.

C. The agency should have developed a functional grievance procedure.

D. Arranging psychological and social services--factors which need to be identified to determine deference are:

-- Completion of the inventory of community resources to assist in providing these support services. A working referral system for the provider, parent, and/or agency to the identified community resources.

-- The development and implementation of a training program to assist providers in recognizing behavioral and/or learning problems.

-- An acceptable method of record keeping for identified problems of children in care has been implemented.

-- Waivers have been submitted and approved for geographic areas where there are no community resources available and the agency does not have the expertise to provide the services directly.

-- When the agency plans to provide these services directly, the agency has demonstrated the ability to deliver the services. The primary considerations that need to be evaluated are the availability of agency staff with the required skills, and the staff's effectiveness in delivering requested services.

-- The agency has within its budget, available funds for the purchase of services where this is the appropriate method for arranging these services. To determine sufficiency of funds, consideration will need to be given to the cost of services purchased in the past per total number of children enrolled. This will provide an indication there is a sufficient budgetary allowance for the purchase of these services.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00111

3. *The implementation of a deference policy regarding the provision of training to day care providers.* Certain conceptual problems complicate the measurement process when determining adequacy. Training is delivered in a variety of modes, ranging from formal classroom type settings to the very informal one-to-one setting between agency worker and the provider. The appropriate setting is nearly impossible to determine. A related factor is the varying willingness and ability of some providers to arrange their schedule to attend the more formal sessions. Providers also have widely varying abilities to absorb and apply techniques that are presented in training. A final factor is the difficulty in assessing the needs of providers. However, the turnover rate, especially in family day care and in-home providers, creates the need to continually assess the new providers and develop training plans for them.

The implementation of a deference policy for training must consider the following factors before deference is applied.

A. The agency plan should relate monitoring findings to actual training provided.

B. The training plan must cover the full range of providers, from day care center to in-home care.

C. Provision must be made to provide the information from formal training sessions to those providers who were unable to attend.

D. Deference in training should be tied to deference in quality of care provided by the caregivers. Until the compliance ranking of providers reaches the 95% level, training deference should not be implemented.

E. The agency has earmarked adequate resources, both fiscal and staff, to carry out the training plans developed. If agencies, for example, only arrange to have enough staff to monitor, then training will need to be provided from other sources.

F. The agency has developed a plan to provide training for general skill enhancement as well as findings. Only when the above items have been met should a deference policy regarding training be implemented.

00115

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00116

4. *Ensuring parent participation in decision-making.* The primary focus on deference for this section of the FDCR should be on the advisory committee of the administering agency. A deference policy should be instituted when, over a period of time (six months to one year), there is evidence to show that the advisory committee has:

A. A composition that reflects a cross section of the state population. This must include parents of children enrolled in day care, preferably some of whom are parents of federally funded children.

B. The advisory committee has functioned during the time period in question. At a minimum, the advisory committee should meet quarterly.

C. The agency has provided sufficient information to the advisory committee to support the activities the committee wishes to undertake.

All of the above factors directly relate to the 1972 FDCR as they impact the administering agency's role. The federal regional office should also consider other factors in applying a deference policy. The first factor to be considered is: Has the agency been able to meet the objectives developed in its quarterly action plans? Meeting objectives can indicate the ability of states to plan and to accomplish what they have planned. If the quarterly objectives relate to meeting the overall goals of conducting adequate monitoring visits, follow-up on deficiencies, providing needed training, etc., then the meeting of quarterly objectives is a viable indicator for determining deference.

A second factor to consider in determining deference is the increased quality of state standards. At some point in time, when state compliance is nearly total, it may be possible to consider waiving federal standards in their entirety. This can be considered if state standards are such that they more closely reflect the goals and objectives of the 1972 FDCR. *It is recommended that 1972 FDCR be waived when state standards meet or exceed the federal standards.*

The waiver of federal standards could follow a similar pattern of gradual waiver that has been designed for compliance deference. Therefore, as state standards regarding any one section of the FDCR meet or exceed the requirements, a waiver would be appropriate. For example, some of the state standards regarding day care facilities are close to meeting or exceeding the 1972

00117

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

0118

FDCR at the present time. When these standards are modified to fully meet FDCR, the state code requirements would take precedence.

Another possible way to encourage and reward state standards improvement is to encourage states to adopt one of the recently developed models for state day care licensing. *When any state adopts a model licensing code, the requirement for meeting the 1972 FDCR would be waived for that state.*

To implement the deference policy two changes are required in the 1972 FDCR:

-- A waiver clause should be inserted which will allow the states to request a waiver for certain requirements when it is determined that there are no resources available in the community to meet the requirements. This clause would be particularly important for the arrangement of support services such as mental health and social services.

-- The adoption of an either/or clause would need to be added to the 1972 FDCR. This clause would simply state that providers who care for federally funded children must meet either the FDCR or the state standards, which ever are higher. This clause would provide the policy basis for waiving federal requirements in favor of state requirements.

Two additional considerations are recommended before the total waiver of federal requirements is accomplished.

-- The states must agree to a federal regional office review of proposed changes in state requirements. This would provide a mechanism for the federal regional office to monitor states to ensure that the state standards do not fall below federal requirements. Should the states adopt standards that are lower than the federal requirements, the federal standards would again become applicable to providers who care for federally funded children.

-- The states should have a formal policy for periodic review (at least every two years) of state standards. If possible, this policy should be incorporated into the statues authorizing the development of day care standards.

00119

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

This requirement provides a formalized, systematic review of state standards. This allows for an orderly process for upgrading and modifying standards to reflect changing needs. Neither the 1972 FDCR nor any of the current state standards are ideal in their totality. The periodic upgrading of standards can assist in the incremental movement toward ideal standards. As new knowledge about the impact of day care on children is available, the standards can be modified to make use of this new knowledge.

Federal Role After Deference

The federal regional office will continue to play an active, although a significantly different, role in day care after the implementation of a deference policy.

The federal regional office would continue to receive the quarterly action reports and plans from the states. These reports would be analyzed to determine if the state objectives are being met. The analysis of state action plans can point up the states' needs for additional technical assistance. The regional office would provide technical assistance in response to the states' requests.

Under an implemented deference policy, performance auditing would be on an occasional basis rather than the proposed intensive quarterly performance auditing. We would recommend that a performance audit be conducted once every two years in each state. If the results of the performance audit show a marked decrease in the quality of state administration of day care programs, deference in those areas which are weak should be revoked. Deference could be reestablished when the state again meets the required quality standards.

One of the more important roles the federal regional office should play under deference is as an information clearinghouse for the states. New techniques for the delivery of services, evaluation studies, and new knowledge about social services are being published at an ever increasing rate. The problem has been that these materials seldom reach those who are actually involved in the delivery of these services. The federal regional office could function as a clearinghouse for this information. Those studies that seem to be relevant could be disseminated to the states for possible use.

00121

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00122

Recommended Procedures for Approval of Deference

The final approval for the application of deference for any particular section of the 1972 FDCR must be made at the policy making level. *The person assigned to monitor states' administration of day care should recommend to the DHEW Regional Director that deference be applied.* The actual procedure would be as follows:

-- The compliance worker determines that state performance meets the criteria for deference.

-- The compliance worker prepares a written recommendation to the DHEW Region Director for approval of deference. This report should include the backup materials which indicate the level of state performance to support the application of deference.

-- The recommendation is routed through channels for review and comment to the Regional Director or his designee.

-- The Regional Director or his designee either approves or rejects the application for deference.

-- The state is notified in writing of the final decision. If deference is rejected, the letter should specify the areas which need improvement before deference can be applied.

00123

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

2.6.2 State Tactics for Strategy II.

1. *Each administering agency will have to evaluate the number of available mandays for monitoring day care providers.*

This will require each state to determine the total number of mandays currently available for day care monitoring. The available mandays will need to be measured against the total required days, based on the following formula:

Formula I Minimum Staff Mandays

In-Home Providers	1/2 day per provider
Family Day Care Homes	2 days per home
Group Day Care Homes	2 days per home
Day Care Centers	3 days per center

When determining required mandays for monitoring and evaluating, allowance needs to be made for new applications; the above formula would be sufficient to allow adequate mandays for the initial licensing of the various providers. Where deficiencies in staff availability for monitoring exist, recruitment of staff would immediately occur.

2. *Each state should assign a licensing specialist the responsibility to work with the federal regional office to develop a monitoring guide.*

The staff member assigned should review current state monitoring guides for adequacy and completeness. Weaknesses in the current monitoring system should be identified to ensure that the experiences of the states is incorporated into the final monitoring guide developed.

3. *The administering agency should assess the competency level of the staff assigned to day care and provide adequate in-service training.* For each staff member currently assigned, a training plan should be developed to upgrade skills. In conjunction with the federal regional office, a training program should be designed to familiarize staff with the new federal requirements and the new monitoring procedures.

4. *A statewide inventory should be undertaken to identify sources of the required support services.* Geographic areas with inadequate community resources should be identified. The agency should develop a plan to supply the support services to these areas on an as-needed basis. Should it prove to be impossible to

00125

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00126

provide support services to any areas, a waiver request should be initiated and submitted to the federal regional office.

5. *Each administering agency should notify the affected providers of the new 1972 requirements when they are adopted.*

It is recommended that a letter be sent to each provider who cares for federally funded children. The letter should outline the major changes related to staff/child ratios, program requirements, and record keeping requirements. The letter also should include the dates of a series of regional meetings to discuss in more depth the changes in requirements, monitoring procedures, and the level of training that can be expected by the providers. These meetings should provide the impetus for the operators to initiate the changes required to upgrade the quality of care.

6. *The four state welfare agencies should study the payment level for children for which they make payment.*

The 1972 FDCR will impact the costs incurred by day care providers. The administering agencies should conduct a study in association with the providers to determine the cost of providing care under the new requirements. A new payment rate should then be developed based on the results of the study. To relate the payment schedule more closely with the providers' costs, it is recommended that two committees be formed, one consisting of a cross section of day care center operators within the state. This committee should include private profit, private non-profit, and public center operators. The cross section should also include operators who run smaller centers (under 30 children), medium centers (30-60 children), and larger centers (60 or more children), as well as centers from a broad geographic distribution. The second committee would be composed of a geographically representative sample of family and group day care home providers. During the development of the new payment rates, consideration should be given to the following factors:

A. Differing payment rates to the various types of day care providers. The costs related to the type of care may be quite different. It may be advantageous to have different rates established for day care centers, family and group day care homes, and in-home care. The State of Oregon currently utilizes the differing rate structure.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

B. Payment rates might be based on the age of the child. The higher staff/child ratio for younger children increases the costs to day care centers. The limitations placed on the number of children allowed in family and group day care homes when infants are in care reduces the income potential of these providers.

C. Higher rates should be given to day care centers which provide support services and transportation. When centers provide these services, costs increase. If the center does not provide such services, the administering agency is required to arrange for their provision. The direct payment to centers for such services can increase the availability of them, especially in areas where they are in short supply. The payment for transportation services can resolve a major problems faced by low income consumers of day care.

7. *The administering agencies should develop a standardized set of forms for each operator to use for record keeping purposes.*

The 1972 FDCR, in Sections I.K.1, I.K.2, and I.P.4, outlines the content of the file that must be maintained for each federally funded child in care. To assure uniformity in record keeping and to ease monitoring, it is recommended that each administering agency develop the forms required for record keeping. In addition to the record keeping items listed in the sections indicated above, it is recommended that a form be developed for parents giving providers permission to obtain emergency medical treatment (or to refuse such permission).

8. *Each state should develop a written parent grievance procedure.* The 1972 FDCR requires that such a procedure be given to all parents and explained. This should be done at the time of developing the parent's day care plan.

9. *Each administering agency should develop an interview guide for operators to use when interviewing parents at the time of enrollment.*

There was a wide disparity in the content of interviews with parents by the day care providers. Section I.P.1-3 of the 1972 FDCR outlines the required items which need to be discussed in the enrollment interview.

00129

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00130

10. *Each state should offer all day care providers low-cost liability insurance at the time of licensing. Purchase of this or some other liability insurance should be a requirement for licensed providers.*

Although day care centers usually purchase their own liability insurance, family, group, and in-home providers rarely have this type of protection.

11. *Each agency should develop needed support systems required for monitoring system, and fulfill the requirements for the agency quarterly action report.*

The administering agency will need to develop an information system to support the overall monitoring effort. It will need to develop a method for gathering, processing, and using the information for short-term planning and self-evaluation.

One of the uses of the information obtained is to complete the quarterly action report. It has been recommended in this chapter that each administering agency submit a quarterly action report to the federal regional office. Recommended contents of this report appear in Section 2.6.5, Suggested Models for Use in Implementing Strategy II.

Because of the volume of information required, there will be a need to have an automated system for processing much of the information. The administering agency should work closely with the EDP specialists to develop input forms to obtain the required information. Particular attention must be given to developing a method of purging the computer files that are developed. One serious problem the contractor encountered with the lists of providers submitted to DHEW to carry out this contract was a significant number of providers on the lists were no longer accepting federally funded children or had gone out of the day care business entirely. This would indicate the absence of an effective purging system in those states that had an automated system in April, 1972.

The most important use of the quarterly action report is in the area of short-term planning and self-evaluation. The information gathered provides in summary form a description of the activities undertaken by the agency to ensure a quality day care program during the previous quarter. It also presents a profile of the day care program within the agency's jurisdiction. The agency

00131

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

can identify developing trends such as shifts in types of providers (e.g., a greater percentage of in-home care providers); identify regions where a shortage of slots exist and additional recruitment efforts may be required; identify patterns of deficiencies so training plans can be developed. These are just a few of the areas in which the information obtained can be used for short-term planning. The data for the quarterly action report also provide a quick means of measuring actual performance against desired or projected performance. If project objectives are consistently higher than actual achievements, it could indicate a need for reassessing the workload formula used to measure staff needs. Also, staff needs can more accurately be projected by analyzing any increase in the number of providers.

The information for the quarterly action report represents what is considered to be the minimum amount of information required for planning and self-evaluation. Each agency may want to expand from this base for individual needs. Some possible areas agencies may want to consider gathering additional information would be:

A. Why parents needed day care. This could provide baseline information to identify the range of social services which use day care as a support service (e.g., employment and training, children's protective services, etc.).

B. Parental preferences among types of day care settings.

C. Measures to determine the impact of day care as a support service. A relatively simple measurement technique is to identify the purpose for providing day care for an individual case. An example would be to allow a parent to participate in a training program. When day care is terminated, the reason for termination might be the completion of the training program. Therefore, day care was successful in supporting the training services provided. If the goal was not achieved, the reason for non-achievement would need to be determined to prevent similar situations from occuring in the future. To implement this impact measurement system, only two pieces of

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00131

data are required: the purpose for providing day care services, and the reason for terminating the service.

These are some of the areas that should be considered when developing an information system. They do not represent an exhaustive list, as each agency should identify the information they require to analyze their program.

12. *Each state welfare agency should examine its current organizational structure for day care licensing and monitoring.*

The first recommendation regarding the organizational structure is a change in the personnel assigned to in-home certifications. In each of the four states in the Region, there are no specific staff members assigned to certify in-home care providers. The general pattern that exists is that in-home care providers are certified by the caseworker assigned to the parents' case. *It is recommended that specific staff be assigned the responsibility for in-home care certification. The staff who are assigned to in-home certification should also be in the same administrative unit as the staff assigned to other aspects of day care licensing and monitoring.* Many of the same skills are required for the licensing and monitoring of these types of providers. The 1972 FDCR require that in-home providers meet many of the same requirements as the other types of providers. With the increased focus of the new standards on in-home care, it is appropriate to move the personnel assigned into the mainstream of day care monitoring.

The second organizational recommendation relates to regionalized versus centralized day care administration within the state. Chapter IV of this report describes the current organizational structure in the four states. Organizational structure did not appear to be a determining factor in the quality of day care program administration. However, there are certain advantages to a regionalized structure. Among the advantages are:

A. The coordination with local levels of government can more effectively be done when the day care staff is in close geographic proximity.

00135

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00136

B. The monitoring staff is more readily accessible to the local providers.

C. The volume associated with in-home care requires locally based staff.

D. Travel time and costs are reduced when staff are assigned on a regional basis.

E. The central office staff can concentrate on statewide planning and coordination of the day care program and can function as a monitor of regional activities.

F. A regionally based staff can assist local levels of government and providers in the development of local planning efforts. *It is recommended that the monitoring staff be assigned to regional (or local) offices.* Administratively, this staff would report to the local administration. The central office staff would be responsible for statewide planning, coordination, consultation to the regional offices, and monitoring of regional office activities.

13. *Each state welfare agency should initiate a system to review and upgrade their day care standards at least every two years.*

If possible, the review process should be incorporated into the statutory authority for day care licensing. The states should then review and compare their current standards with the 1972 FDCR and the proposed models for day care licensing. States can then determine which areas of their standards need to be upgraded to meet or exceed the 1972 FECR and model licensing law. It may not be possible for each state to immediately adopt new standards; however, an initial plan for adoption of the new standards should be developed.

2.6.3 State Role in the Design of the Social Service Development Process.

The second feature of this strategy is the design of a Social Service Development Process. The diagram on page 2-63a illustrates a process model which includes the

00137

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

features which need to be considered in the design of such a planning and management system. The purpose of designing such a process is to incorporate quality day care issues into the overall planning process for social services. Because day care is potentially a support service to a wide range of social services, it is imperative that day care be an integral part of the social service planning process. The state is the primary focus in the social service development process. The federal regional office can be available for technical assistance to the states when designing such a system. Local units of government and local parents and providers provide input so local considerations are incorporated into the state plan for social services. However, the ultimate success of the social service development process lies with the state. The capacity and willingness of the state and the state agencies to move toward integrative planning for the delivery of social services, and away from the current fragmented approach will determine the success of this process. The potential impact of integrated planning is to ensure state allocation of adequate resources for day care and an increased ability to plan for overcoming gaps in the current day care delivery system.

1. *States must begin immediately to design a social service process to ensure the constructive phasing of general and special revenue sharing with existing social services policy processes, categorical aid, and other planning-coordination systems.* The development process should enable states to move away from year-to-year planning and management characterized by a lack of evaluation of performance and results and an inability to relate short-term programs to overall objectives and strategies.

A. The most important action states can take is to move toward integrative structures. There does not appear to be any one ideal organization or design; however, states must begin to design integrative organizational structures.

B. Consider taking the following steps in designing the social services development process:

-- Define the requirements posed by changes in day care and other social services funds, general and special revenue sharing, and planning and coordination mechanisms.

-- Assess existing processes, programs, services, goals, objectives, strategies, and resource allocation mechanisms.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

99140

-- Design a new system including objectives, strategies, mechanisms, organizational arrangements, procedures, responsibilities.

-- Program the new system through testing limited activities.

-- Prepare new policies and procedures for operations.

-- Train personnel.

-- Implement the system.

-- Monitor and assess system performance and make necessary modifications.

C. States might review and adopt one of a number of alternative mechanisms for accomplishing the design of the process:

-- Establish a task force responsible to the governor and composed of all state agencies involved in social services; in addition, regional, federal officials might be included.

-- Assign responsibility for design to the state social services or planning department.

-- Hire outside consultants to work with the state.

-- Assign federal and other agency personnel to states to assist, for a one-year period, on a demonstration basis under the Intergovernmental Personnel Act.

-- Obtain federal support and financial assistance to develop a state process.

-- Utilize Federal Regional Council staff.

None of the functional tools of the process such as programming and planning will be ultimately successful unless there is a continuous application of a common process to all of the state's social service activities. Such a process, therefore, must be established as soon as possible.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00142

2.6.4 Local Roles in the Social Service Development Process.

At the local level a number of actions may be needed in dealing with day care:

1. In many states, enabling legislation may be needed to give local governments and areawide bodies power to deal with day care problems.

2. Means must be found to relate private agency involvement in the social services areas to newly emerging local public involvement.

3. Promote joint city/county task forces to work out appropriate roles in handling social service delivery including child care.

What is being proposed for local governments is an increased role not only in day care, but also in social services generally. Specifically, local levels of government should undertake the following steps:

1. The problem of day care is a metropolitan or regional, and not solely central city problem. This being the case, efforts to improve the functional planning of day care services need to be improved in a metropolitan context. In the present circumstances, the 4-C committee has neither the financial resources nor leverage to impact on the quality and level of day care services. In order to remedy this situation, it is suggested that staff support for this committee be lodged in the COG or regional planning body. By lodging functional responsibility for planning of day care at the metropolitan level in either the COG or regional planning body or in rural areas, a substate district day care as a support activity may also be more closely linked to other services.

2. Metropolitan governments would do more to further the integration of social services by establishing broader and more encompassing Offices of Human Resources rather than establishing an office for child care alone. The latter would tend to distort planning for total social service delivery and increase administrative costs.

3. State-local cooperative efforts to improve the quality of day care services will be required regardless of federal actions. This requires cooperative efforts to improve the monitoring of day care;

00143

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

01144

joint work on developing state standards for licensing; and involvement of local and areawide bodies in the state planning processes by which resources are allocated to day care and other social service areas.

4. Metropolitan and local areas (local 4-C's) should encourage linkages among local day care providers, such as day care systems and information and referral services for coordinating locally available day care resources. Other services, such as an areawide day care substitute pool and locally sponsored workshops through community colleges would serve the dual purpose of improving locally available day care and facilitating provider compliance with FDCR.

2.6.5 Suggested Models for Use in Implementing Strategy II.

Model for a Social Services

Development Process

This model involves three major phases:

(1) THE DEFINITION AND SELECTION OF OBJECTIVES, GOALS, AND CRITERIA (VALUE FORMULATION)

-- Systematic data and information collection on current conditions, problems, and trends and the preparation of progress reports.

-- The establishment of explicit goals and objectives, programs, alternatives, and strategies to meet needs and objectives.

(2) THE IDENTIFICATION AND SELECTION OF PROGRAM/PROJECT ALTERNATIVES (MEANS IDENTIFICATION)

-- The design of innovative and experimental projects and their performance evaluation.

-- The establishment of specific targets for accomplishment, the establishment of methods of evaluation, and determination of sources of funds required for completion.

-- The determination of the financial constraints of program development and operations and the impact of fiscal policies on objectives.

00145

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

99146

(3) THE IMPLEMENTATION OF ACTION TOWARD GOALS (EFFECTUATION)

-- The programming of resources through inventory and assessment, the investigation of alternative allocation patterns, and the scheduling and timing of investment and resource decisions.

-- The evaluation of progress and results of projects.

-- The ongoing assessment of duties and responsibilities of agencies and private agencies for gaps, overlaps, and linkages.

Federal regional technical assistance and coordination efforts should emphasize each of the seven major aspects of a comprehensive community development process:

Planning. The planning aspects of the development process should be geared to helping the decision makers think, decide, and act more effectively and to ensure that the decisions made are consistent with, complementary to, and supportive of the state's objectives and desired directions. The fact that a development plan may emerge from this process should not be of primary importance since it is not the plan that spells the difference between success and failure. The importance of the plan is that it helps in making mangerial decisions. Planning, therefore, is a management tool that avoids or corrects deficiencies in traditional state decision mechanisms which have dealt inadequately with gaps, failed to consider the ramifications of goals and policies, and tended to undervalue the future in attempting to decide short term issues.

Comprehensiveness. Comprehensiveness of the development process means that planning and decision making should consider all the significant elements of the environment, relate them to trends, and take into account social and economic factors. A comprehensive process should identify and examine the ramifications of proposed means to the important ends and should be sure that all components of the means are carefully designed.

Coordination. An essential ingredient of the development process is coordination--the pulling together of elements. It can be considered both a process and a result. It can include agencies, programs, projects, and levels of government. (It is interagency, intergovernmental, interprogram, etc.) It can take place laterally (consultation, sharing of information,

00147

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

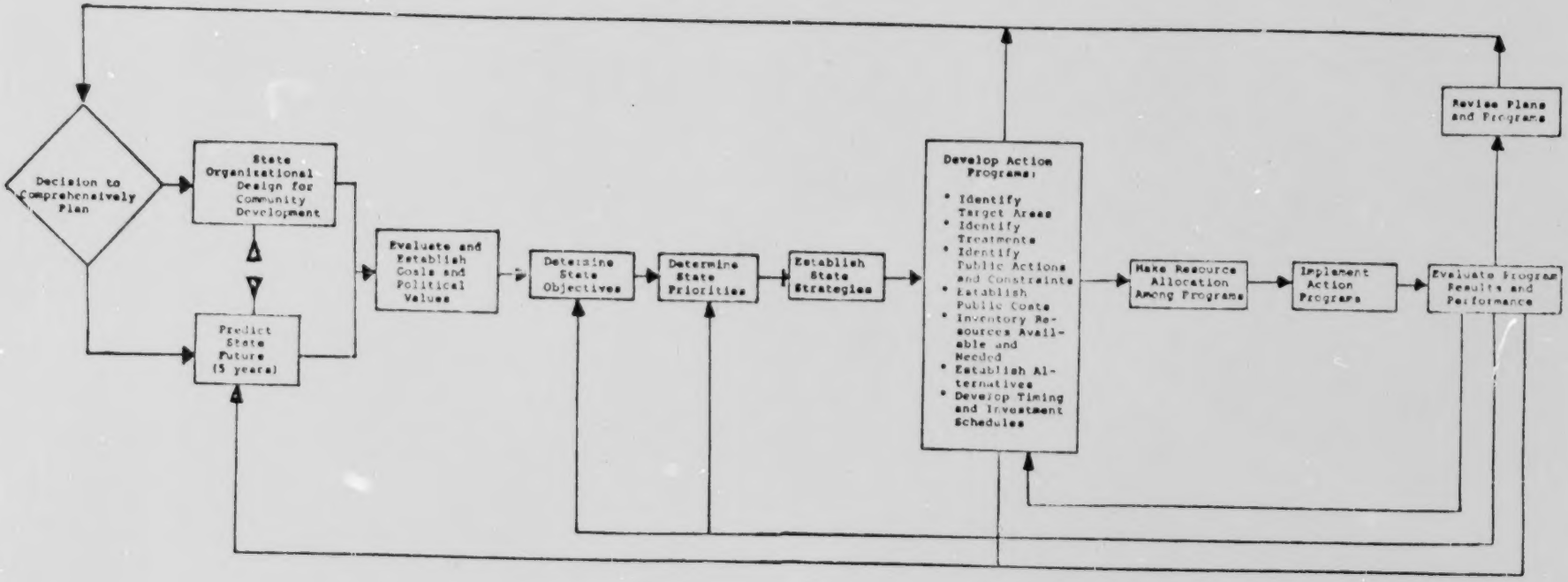
Decision to Comprehensively Plan
State Organizational Design for Community Development
Predict State Future (5 years)
Evaluate and Establish Goals and Political Values
Determine State Objectives
Determine State Priorities
Establish State Strategies
Develop Action Programs:
• Identify Target Areas
• Identify Treatments
• Identify Public Actions and Constraints
• Establish Public Goals
• Inventory Resources Available and Needed
• Establish Alternatives
• Develop Timing and Investment Schedules
Make Resource Allocation Among Programs
Implement Action Programs
Evaluate Program Results and Performance
Revise Plans and Programs

FIGURE 2.2 SOCIAL SERVICE PLANNING AND MANAGEMENT PROCESS

BEST COPY AVAILABLE

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

negotiation among equals), or it may involve the intrusion of a higher authority to settle conflicts.

Programming. Programming within the development process involves the process of selecting from alternative possible programs those which are likely to achieve desired objectives and yet are financially feasible. It is closely associated with the scheduling and timing of project implementation and the allocation of resources.

Budgeting. Budgeting is a tool used in planning and is an expression of the plan in financial terms showing what resources are required and what payoffs result. It does not relate to the determination of goals.

Resource Allocation. To implement plans, resources must be allocated. Resources are generally scarce; thus, decisions must be made regarding dividing limited resources among competing claims. Administrative machinery and techniques must be applied for making consistent allocative decisions. Allocative decisions are generally based on tradition, pressure, or preference. A social service development process should assist in relating allocation more closely to planning and programming. In this instance, day care allocations should be related to primary services.

Organization. Organization serves as a method for translating plans and programs into results by effectively defining the basic activities to be performed and determining the best arrangement of these activities within the organization as a whole. Organization permits the assignment of tasks to specific individuals, units and groups. This provides the framework within which the other functions of the process can be met and executed more effectively among and between personnel.

0151

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

2.6.6 Suggested State Data to be Included in Quarterly Action Reports to Region X.

1. The number of monitoring studies completed by the state.

2. The results of the studies:

   a. Number of providers without deficiencies, by type of provider.

   b. Number of providers with deficiencies, by type of provider and deficiency.

   c. Plan for corrective action.

3. Number of provider training sessions given and their subject matter.

   a. Number of providers attending, by type of day care setting, e.g., center staff, group providers.

4. Number of requests for support services received.

   a. Action taken on request (coded format).

   b. Results of action (coded format).

   c. Reasons for not providing support services (coded format).

5. Number of providers by type who were out of compliance in previous quarter's report and who now meet all requirements.

6. Number of providers by type who were out of compliance in the previous quarter's report that still remain out of compliance.

7. Number of providers by type who had federal certification revoked.

8. Number of new federal certifications by provider type.

9. Total number of federal slots filled, by provider type, at end of quarter.

10. Total number of unfilled federal slots, by provider type, at end of quarter.

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

11. Total number of full-time equivalent staff assigned to day care monitoring.

12. Recap of staff training provided during the quarter.

13. Recap of the quarter's objectives that were either met or not met, based on items 1-12.

14. Projected action plan for next quarter based on items 1-12.

00155

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00156

2.6.7 Implications of Strategy II.

The adoption of the Federal Deference Strategy provides the Federal Regional Office with the opportunity to have a more direct impact on the quality of day care in Region X. However, there are certain implications inherent in the adoption of this policy. Potential disadvantages of adopting this strategy include:

1. *An increased cost to the federal regional office for staff and staff related expenses.* These costs are estimated to be approximately $70-75,000 annually ($45,000 in direct salary and $25-30,000 in support costs). These costs would decrease as total deference is applied to individual states.

2. *An increase in the per day, per child cost at the provider level if 1972 FDCR are adopted and enforced.* (See Chapter 6, vol. III of this report for details on the cost of care.) The total increase in cost is difficult to estimate because of the mechanisms available to states to reduce the eligibility pool or to increase provider reimbursements. The overall cost implications are further blurred since federal expenditures for day care services are based on the level of state expenditures.

3. *A significant increase in administrative costs to the states to increase staff for the monitoring functions.* It is difficult to estimate accurately the probable costs to the states due to the uncertainty of the impact of certain current federal actions. The phasing out of OEO and Model Cities may result in the closing of day care facilities funded from these sources. The proposed changes in federal social service regulations related to day care may result in a decrease in the number of providers needed for federally supported care.

Each state will need to determine the number of mandays required to monitor the various types of providers, and allocate the staff accordingly. If we assume that the total number of providers remains constant and turnover and application rates also remain constant, the following are estimated staff costs per state for monitoring federally funded day care providers only:

00157

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00158

Washington:

-- Day Care Centers, 4 staff @ $12,500 per year = $50,000

-- Family and Group Day Care Homes, 16 staff @ $9,624 = $153,984

-- In Home Care (Assumes a 60% turnover rate), 4 staff @ $9,624 = $38,496

-- Total direct staff costs for day care monitoring (excludes supervision) = $242,480

Oregon:

-- Day Care Centers, 6 staff @ $9,000 = $54,000 (Assumes Oregon will continue four visits per center per year)

-- Family Day Care Homes, 12 staff @ $5,400 = $64,800

-- In Home Care, 3 staff @ $5,400 = $16,200

-- Total direct staff costs for day care monitoring (excludes supervision) = $135,000

Idaho:

-- Day Care Centers, 2 staff @ $7,680 = $15,360 (Assumes Idaho will continue to conduct semi-annual reviews)

-- Family Day Care Homes, 6 staff @ $7,680 = $46,080

-- In Home Care, 1 staff @ $7,680 = $7,680

-- Total direct staff costs (excludes supervision) = $69,120

Alaska:

-- Day Care Centers, 1 staff @ $13,800 = $13,800

-- Family and Group Day Care Homes, 4 staff @ $13,800 = $55,200

-- In Home Care, 1 staff @ $13,800 = $13,800

-- Total direct staff costs (excludes supervision) = $82,800

00159

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

00166

The figures presented for the four states represent total statewide full-time staff equivalents. Geographic distribution of the caseload will require adjustments for individual worker's caseload composition. The movement toward regionalization of day care monitoring can result in more full-time day care licensing caseloads if in-home care is included in the caseload. *The cost figures presented do not represent net increases in costs for the states but total direct staff costs for the monitoring of federally funded day care providers.** The states will have additional costs for the monitoring of providers who do not care for federally funded children.

4. *Increase in indirect costs for training providers and state staffs.* Little attention is currently being devoted to state in-service training for staff or to day care provider education. In Washington and Alaska the state Departments of Education offer workshops and materials in early childhood education. One way to limit new training costs and avoid duplication would be to provide the Departments of Education with current lists of specific provider and day care staff training needs as input to the departments' workshop and publication planning process. All licensed day care providers should be put on a state mailing list for announcements and publications.

5. *State Welfare Departments may choose not to provide day care services.* The increased costs and federal presence could result in the state agencies choosing not to provide day care. The proposed federal social service regulations make the provision of day care an optional service. With the fiscal problems in the four states of the region, this possibility, while not probable, could be realized.

6. *Increased compliance efforts could decrease the supply of day care available to federally funded children.* Day care providers may choose not to meet the new federal requirements. This possibility is not unlikely unless the rates paid by state welfare agencies are adjusted to reflect the costs of meeting the new requirements.

Advantages of the strategy:

1. *Provides the federal regional office a mechanism to effectively monitor state activities. The monitoring system is based on performance.*

*Each state is currently expending some monies for monitoring federally funded day care; however, Unco was unable to determine the level of expenditure.

00161

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

2. *Ensures that the quality of care is at least equal to the 1972 FDCR.*

3. *Provides both the states and the federal regional office with an action plan that is continually updated to meet changing conditions.*

4. *Federal efforts to improve quality of care are focused on those states where quality of care is lowest.*

5. *Enables the federal regional office to lessen their presence when the states' capabilities are increased.*

The federal regional office will be able to reassign staff assigned to day care compliance when total deference is applied to a state. The final result can be that the regional office would need only one staff person assigned to day care rather than the three initially required.

6. *Provides incentives to the state for improving capabilities for the administration of day care programs.*

7. *A mechanism for eliminating the dual licensing system is provided.*

One of the major compliance problems under the current system is the dual licensing system. Operators and state monitoring workers are often confused about the differing definitions and requirements between federal and state. If states choose to upgrade their standards to meet or exceed federal standards, this problem can be eliminated.

8. *A planning process is initiated that will integrate quality day care with the other social service planning efforts.*

9. *A mechanism is developed to provide continuity between local, state, and federal efforts in social service delivery.*

2.6.8 Summary: Strategy II.

The Federal Deference Strategy is designed both to accomplish an upgrading of the quality of day care in Region X and to provide incentives to the states for improved performance. This strategy requires an initial increased effort by the federal regional office in

00163

2.6 STRATEGY II

A Federal Deference Strategy

A federal-state social services development planning and coordination process to improve the use and evaluation of day care resources and to assure their quality provision. Initially a strong federal presence in performance and fiscal auditing to assure compliance with federal standards. As states increase their capabilities to assure quality day care, the federal role diminishes.

Assumption

There will be a continuation of federal standards

performance auditing of the states' administration of the day care program. The federal role diminishes as state capacities and capabilities increase. A mechanism is provided to eliminate the federal day care requirements as state standards more closely reflect the objectives of the FDCR.

The second part of the strategy requires the design and implementation of a social service development planning process. This process will move quality day care issues from the periphery of social service planning and delivery to become an integrated entity with all other social services which day care supports.

0165

2.7 STRATEGY III

The Federal Hands-Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Quality of day care will be determined at the state or local level or by the tolerance of the market place.

Assumption

There will not be a continuation of Federal Day Care Standards.

2.7.1 Federal Tactics for Strategy III.

This strategy is based on the concept that the existence and quality of day care is a matter of state and local responsibility. It rejects the view that matters of developmental services for children and support services related to employment are appropriately the responsibility of the federal government. This strategy assumes that child care is not a matter of fundamental national interest, nor is it related to the national general welfare. Therefore, there is no need for federal quality standards, guidelines, or requirements for the use of federal funds for day care services. Rather, standards should vary with state and local circumstances.

If this strategy were followed, Federal Day Care Requirements would be abolished. A responsibility for assuring the quality of federally funded day care services would rest with the states and localities. Federal funds for day care would still be available, but their use would be up to the state or local government. Any lack of local capabilities to program day care monies or any problems related to the uneven distribution of services or uneven service quality are not matters warranting federal intervention. The federal government has no responsibility for state and local program mix, standards, or impact of the funds allocated for day care. Federal concern is limited to fiscal accountability, not programmatic issues.

The federal regional office would not need to assign any staff to monitor day care quality or to provide technical assistance. The federal regional offices' role would be limited to the approval of state claims to federal matching funds for day care services.

2.7.2 State Tactics Under Strategy III.

Under a Federal Hands-Off Policy, it would be each state's option as to what role, level of commitment, and quality standards would apply to day care. The level of monitoring effort and existence of sanctions for non-compliance with state standards would also be a matter of state discretion.

Under such a federal policy, several options are available to states. The following are possible state tactics under each option:

00167

2.7 STRATEGY III

The Federal Hands-Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Quality of day care will be determined at the state or local level or by the tolerance of the market place.

Assumption

There will not be a continuation of Federal Day Care Standards.

-- *The state assumes increased responsibility for developing and monitoring standards for quality day care, and for improving day care's position among state social services.* State standards for quality day care would totally replace federal standards. Current state standards could be upgraded in some areas to more closely approximate current federal standards if the states so chose. Initially, the states could undertake the following actions:

1. Review current state standards and determine areas needing strengthening. Possibly adopt one of the model day care licensing codes.

2. Determine staff required to effectively monitor the new or changed state standards.

3. Develop a monitoring guide for the standards.

4. Develop training plan for day care providers and licensing staff.

5. Make decision to implement or not implement integrative services planning process.

-- *The state could maintain a status quo posture.* No new state action would be required, current day care program would continue except that no monitoring for federal standards would be required.

-- *Reduction in scope of current state standards.* Under this option, states might determine that state standards can be limited to matters of health, safety, and environment. State standards could be reduced to cover only these items.

-- *The state could withdraw from day care licensing.* Under this option--perhaps the most unlikely--the state could decide that state licensing standards are not required. The only standards that would apply to day care settings are local codes relating to fire, zoning, health, and building safety.

The only state action required would be to repeal the statutory authority for day care licensing.

00169

2.7 STRATEGY III

The Federal Hands-Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Quality of day care will be determined at the state or local level or by the tolerance of the market place.

Assumption

There will not be a continuation of Federal Day Care Standards.

80170

It is nearly impossible to predict what actions each of the four states would take if federal requirements are abolished. It is our opinion that increasing pressures would be brought to bear to maintain (at least) current state standards. It is possible that, over time, some states could lower standards to cover basic safety, health, and environmental factors only. State agencies have used federal requirements to obtain allocations of resources for the delivery of social service programs. With the abolishment of federal standards, this leverage would be lost. Budgetary restrictions could seriously hamper state efforts to maintain current levels of care.

2.7.3 Local Roles Under Strategy III.

The local levels of government have several options available under this strategy, depending in part on the role assumed by the states.

-- *Develop improved local standards and integrate services.* With the availability of revenue sharing monies, localities may decide to develop local licensing standards. This option is most likely to occur if the state abolishes standards, reduces the scope of the standards, or does not provide for day care service needs.

   Specific actions required are:

   1. Obtaining statutory authority from state legislature, if needed.

   2. Obtaining local authorizing statute.

   3. Developing local day care standards with system for periodic review.

   4. Recruiting and hiring of staff to implement the standards.

-- *Maintain the status quo.* No local action required. Local codes applicable to day care continue to be enforced.

-- *Development of local planning for social services.* This can be done with or without the state decision to plan or to continue standards. The decision to plan is not dependent on the existence of standards. Local governments may decide to plan jointly for a region or substate district or metropolitan area. Because of the regional

00171

2.7 STRATEGY III

The Federal Hands-Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Quality of day care will be determined at the state or local level or by the tolerance of the market place.

Assumption

There will not be a continuation of Federal Day Care Standards.

00173

nature of the services which day care supports, it is recommended that, if a decision to plan is made, it be on a regional basis.

2.7.4 Implications of Strategy III.

The abolishment of federal standards would represent a major shift in federal policy. The potential disadvantages of this strategy include:

-- *A possible lowering of the quality of day care in the states.* While the 1968 FDCR have been unevenly implemented and enforced in the four states of Region X, the extent to which the federal government has been involved with licensing and certification issues has improved the quality of day care services. With the abolishment of federal standards, this national emphasis on qualtiy would be removed.

-- *The potential for the federal government to assure minimum quality care for all federally funded children would be removed.*

-- *As federal emphasis (through standards) decreases, quality day care could become an even lower priority item at the federal, state, and local levels, with fewer resources allocated.*

-- *Low standards may encourage the entry of providers who have limited abilities to meet the needs of children.*

The potential advantages of a Federal Hands-Off strategy are:

-- *There are no additional costs for the federal regional office.*

-- *Possible decrease in cost of day care at the provider level, as minimum standards become less demanding (e.g., staff/child ratios).*

-- *Probable reduction in costs to the states because of reduced staff needs for monitoring.*

-- *Reduced indirect costs if no training is given to day care providers.*

00173

2.7 STRATEGY III

The Federal Hands-Off Strategy

A federal withdrawal from day care except to provide funds for low income families in need of day care services. Quality of day care will be determined at the state or local level or by the tolerance of the market place.

Assumption

There will not be a continuation of Federal Day Care Standards.

00171

-- *A possible increase in the supply of day care.* With lower standards, barriers to entry are reduced. More individuals may choose to invest resources in day care rather than other endeavors.

2.7.5 Summary: Strategy III.

The Federal Hands-Off Policy removes the federal government from any involvement in day care except the purchase of day care services. The quality of care available will be determined by actions of state and local governments which decide what day care standards they will require providers to meet. The probable consequence of this strategy would probably be lower quality care available to consumers in many states and a more uneven distribution of quality care opportunities.

00175

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

00176

2.8.1 Federal Tactics for Strategy IV.

This study indicates that states, while varying widely on their licensing regulations, generally all have mounted minimal efforts to improve day care services programming or to provide an overall planning-resource allocation framework in which day care, as a support service, is related to other services. The emphasis on a planning framework is particularly appropriate with the emergence of general and special revenue sharing. It may be incumbent on the states to develop a framework so that WIN resources, manpower special revenue sharing, the 4-C mechanisms, etc., are all linked and mutually supporting, particularly with a corresponding cutback in the total amount of federal aid for day care services. The wide dispersion of existing federal monies for day care further indicates a need for some overall framework within which functional programming can be undertaken for day care.

Even in the absence of federal standards, the government should encourage states and localities to maximize the impact of federal dollars expended. A mechanism for ensuring maximum impact is the development of an integrated state planning/allocation process. The federal encouragement role could include:

1. *Federal support, encouragement, and technical assistance to local, regional, and state governments to develop social planning capabilities.*

   A. Encourage state planning mechanisms to assure maximum impact of revenue sharing, block grants, and categorical aid program funds in day care.

   B. Encourage development through limited demonstration projects of integrated social services delivery systems.

   C. Promote joint city/county/state task forces to work out appropriate roles in handling social service delivery, including day care.

2. *Emphasize the need for adequate staff support.* A social services management and planning process has two fundamental characteristics--systematic coordination and projection into the future. To conduct these tasks requires a staff having both analytical and managerial ability.

A major problem to be overcome in developing the needed coordination, projection, and comprehensiveness is the conceptual gap between planners and other technicians

00177

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

AA178

and decision makers, since the decision makers find it increasingly difficult to comprehend the technicians' work.

Means to improve communication between these groups, including pilot testing of various group techniques and media advancements developed in private industry should be explored.

A staff responsible for the development process must give appropriate speed of response and flexibility to the needs of the chief executive. The process will require a staff capable of performing advance analysis and problem solving, and, most importantly, of providing the types and amount of information and assistance at those points in decision making where it is needed.

3. *Encourage states to adopt model day care licensing and provide technical assistance in implementation.* The federal regional office could be of assistance to the states in developing monitoring guides as states choose to adopt the model day care licensing. Another role could be to provide training to state staff in monitoring and evaluation under the model licensing law. The federal role would depend on state requests for technical assistance.

4. *Make available information gathered from evaluations of previous government pilot and demonstration projects in social service delivery (clearinghouse function).* One of the more important roles the federal regional office should play is as an information clearinghouse for the states. New techniques for the delivery of services, evaluation studies, and new knowledge about social services are being published at an ever increasing rate. The problem has been that the dissemination of these materials seldom reaches those who are actually involved in the delivery of these services. The federal regional office could function as a clearinghouse for this information. Those studies that seem to be relevant could be dissiminated to the states for possible use.

5. *The federal regional office would continue the current fiscal audit of day care in the four states.*

2.8.2 State Tactics Under Strategy IV.

The diagram on page 2-87a illustrates a process model which includes the features which need to be considered in the

0179

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

design of such a planning and management system. The purpose of designing such a process is to incorporate quality day care issues into the overall planning process for social services. Because day care is potentially a support service to a wide range of social services, it is imperative that it be an integral part of the social service planning process. The state is the primary focus in the social service development process. The federal regional office can be available for technical assistance to the states when designing such a system. Local units of government and local parent-users and providers provide input so that local considerations are incorporated into the state plan for social services. However, the ultimate success of the social service development process lies with the state. The capacity and willingness of the state and the state agencies to move toward integrative planning for the delivery of social services, and away from the current fragmented approach will determine the success of this process. The potential impact of integrated planning is to ensure state allocation of adequate resources for day care and an increased ability to plan for overcoming gaps in the current day care delivery system.

1. *States should begin immediately to design a social service process to ensure the constructive phasing of general and special revenue sharing with existing social services policy processes, categorical aid, and other planning-coordination systems (i.e., 4-H).* The development process should enable states to move away from year-to-year planning and management characterized by a lack of evaluation of performance and results and an inability to relate short-term programs to overall objectives and strategies.

A. The most important action states can take is to move toward integrative structures. There does not appear to be any one ideal organization or design; however, states must begin to design integrative organizational structures.

B. Consider taking the following steps in designing the social services development process:

-- Define the requirements posed by changes in day care and other social services funds, general and special revenue sharing, and planning and coordination mechanisms.

-- Assess existing processes, programs, services, goals, objectives, strategies, and resource allocation mechanisms.

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

-- Design a new system including objectives, strategies, mechanisms, organizational arrangements, procedures, and responsibilities.

-- Program the new system through testing limited activities.

-- Prepare new policies and procedures for operations.

-- Train personnel.

-- Implement the system.

-- Monitor and assess system performance and make necessary modifications.

C. States might review and adopt one of a number of alternative mechanisms for accomplishing the design of the process:

-- Establish a task force responsible to the governor and composed of all state agencies involved in social services; in addition, regional, federal officials might be included.

-- Assign responsibility for design to the state social services or planning department.

-- Hire outside consultants to work with the state.

-- Assign federal and other agency personnel to states to assist, for a one-year period, on a demonstration basis under the Intergovernmental Personnel Act.

-- Obtain federal support and financial assistance to develop a state process.

-- Utilize Federal Regional Council staff.

2. *The states would review their current standards to determine if the model day care licensing law is appropriate.* The states, if they choose to adopt the model day care licensing law (in part or totally), could choose to use technical assistance from the federal regional office. The states would determine the type and scope of technical assistance needed.

0183

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

2.8.3 Local Tactics for Strategy IV.

At the local level, a number of actions may be needed in dealing with day care:

-- In many states, enabling legislation may be needed to give local governments and areawide bodies power to deal with day care problems.

-- Means must be found to relate private agency involvement in the social services areas to newly emerging local public involvement.

-- Promote joint city/county task forces to work out appropriate roles in handling social service delivery including child care.

What is being proposed for local governments is an increased role not only in day care, but also in social services generally. Specifically, local levels of government should undertake the following steps:

1. *It is suggested that staff support for the 4-C committee be lodged in the COG or regional planning body.* The problem of day care is metropolitan or regional, and not solely a central city problem. This being the case, efforts to improve the functional planning of day care services need to be improved in a metropolitan context. In the present circumstances, the 4-C committee has neither the financial resources nor the leverage to impact on the quality and level of day care services. By lodging functional responsibility for planning of day care at the metropolitan level, in either the COG or regional planning body or in rural areas, a substate district day care as a support activity may also be more closely linked to other services.

2. *Metropolitan governments would do more to further the integration of social services by establishing broader and more encompassing Offices of Human Resources rather than establishing an Office for Child Care alone.* The latter would tend to distort planning for total social service delivery and increase administrative costs.

3. *State-local cooperative efforts to improve the quality of day care services will be required regardless of federal actions.* This requires cooperative efforts to improve the monitoring of day care; joint work on developing state standards for licensing; and involvement of local and areawide bodies in the state planning processes by which resources are allocated to day care and other social service areas.

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

4. *Metropolitan and local areas (local 4-C's) should encourage linkages among local day care providers, such as day care systems and information and referral services for coordinating locally available day care resources.* Other services, such as an areawide day care substitute pool and locally sponsored workshops through community colleges would improve locally available day care at minimal cost.

2.8.4 Suggested Models for Use in Implementing Strategy IV.

Model for a Social Services

Development Process

This model involves three major phases:

(1) THE DEFINITION AND SELECTION OF OBJECTIVES, GOALS, AND CRITERIA (VALUE FORMULATION)

-- Systematic data and information collection on current conditions, problems, and trends, and the preparation of progress reports.

-- The establishment of explicit goals and objectives, programs, alternatives, and strategies to meet needs and objectives.

(2) THE IDENTIFICATION AND SELECTION OF PROGRAM/PROJECT ALTERNATIVES (MEANS IDENTIFICATION)

-- The design of innovative and experimental projects and their performance evaluation.

-- The establishment of specific targets for accomplishment, the establishment of methods of evaluation, and determination of sources of funds required for completion.

-- The determination of the financial constraints of program development and operations and the impact of fiscal policies on objectives.

(3) THE IMPLEMENTATION OF ACTION TOWARD GOALS (EFFECTUATION)

-- The programming of resources through inventory and assessment, the investigation of alternative allocation patterns, and the scheduling and timing of investment and resource decisions.

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

-- The evaluation of progress and results of projects.

-- The ongoing assessment of duties and responsibilities of agencies and private agencies for gaps, overlaps, and linkages.

Federal regional technical assistance and coordination efforts should emphasize each of the seven major aspects of a comprehensive community development process:

Planning. The planning aspects of the development process should be geared to helping the decision makers think, decide, and act more effectively and to ensure that the decisions made are consistent with, complementary to, and supportive of the state's objectives and desired directions. The fact that a development plan may emerge from this process should not be of primary importance since it is not the plan that spells the difference between success and failure. The importance of the plan is that it helps in making managerial decisions. Planning, therefore, is a management tool that avoids or corrects deficiencies in traditional state decision mechanisms which have dealt inadequately with gaps, failed to consider the ramifications of goals and policies, and tended to undervalue the future in attempting to decide short-term issues.

Comprehensiveness. Comprehensiveness of the development process means that planning and decision making should consider all the significant elements of the environment, relate them to trends, and take into account social and economic factors. A comprehensive process should identify and examine the ramifications of proposed means to the important ends and should be sure that all components of the means are carefully designed.

Coordination. An essential ingredient of the development process is coordination--the pulling together of elements. It can be considered both a process and a result. It can include agencies, programs, projects, and levels of government. (It is interagency, intergovernmental, interprogram, etc.) It can take place laterally (consultation, sharing of information, negotiation among equals), or it may involve the intrusion of a higher authority to settle conflicts.

Programming. Programming within the development process involves the process of selecting from alternative possible programs those which are likely to achieve desired objectives and yet are financially feasible. It is closely associated with the scheduling and timing of project implementation and the allocation of resources.

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

30130

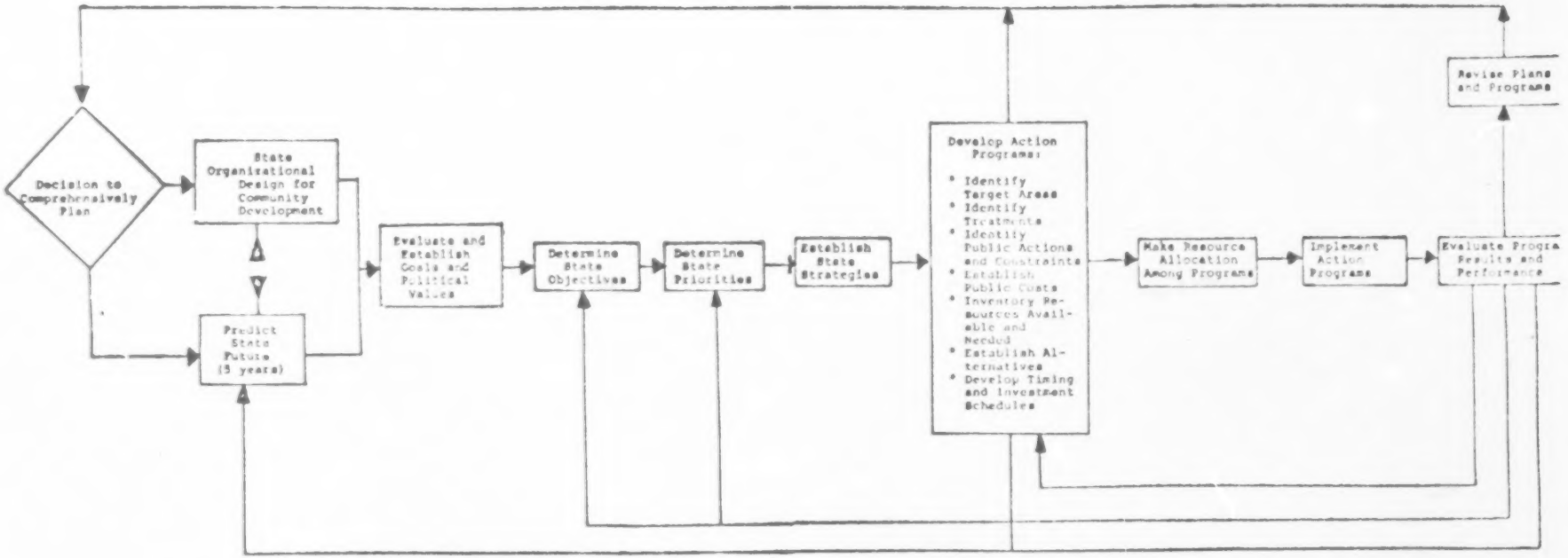
Decision to Comprehensively Plan
State Organizational Design for Community Development
Predict State Future (5 years)
Evaluate and Establish Goals and Political Values
Determine State Objectives
Determine State Priorities
Establish State Strategies
Develop Action Programs:
* Identify Target Areas
* Identify Treatments
* Identify Public Actions and Constraints
* Establish Public Costs
* Inventory Resources Available and Needed
* Establish Alternatives
* Develop Timing and Investment Schedules
Make Resource Allocation Among Programs
Implement Action Programs
Evaluate Progra Results and Performance
Revise Plans and Programs

FIGURE 2.3 SOCIAL SERVICE PLANNING AND MANAGEMENT PROCESS

BEST COPY AVAILABLE

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

2 87c
80102

Budgeting. Budgeting is a tool used in planning and is an expression of the plan in financial terms showing what resources are required and what payoffs result. It does not relate to the determination of goals.

Resource Allocation. To implement plans, resources must be allocated. Resources are generally scarce; thus, decisions must be made regarding dividing limited resources among competing claims. Administrative machinery and techniques must be applied for making consistent allocative decisions. Allocative decisions are generally based on tradition, pressure, or preference. A social service development process should assist in relating allocation more closely to planning and programming. In this instance, day care allocations should be related to primary services.

Organization. Organization serves as a method for translating plans and programs into results by effectively defining the basic activities to be performed and determining the best arrangement of these activities within the organization as a whole. Organization permits the assignment of tasks to specific individuals, units, and groups. This provides the framework within which the other functions of the process can be met and executed more effectively among and between personnel.

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

2.8.5 Implications of Strategy IV.

The adoption of this strategy may have a long-term impact on the quality of day care provided in the region.

Disadvantages of the strategy are:

-- *The quality of day care is not increased in the short-run.* The probable consequences of this strategy will be that the quality of care will remain at the current level. It is possible that, over time, the quality of care will be upgraded through local and state initiative supported by federal encouragement.

-- *Federal monitoring is reduced to fiscal accountability, rather than performance monitoring.*

-- *General federal goals and objectives for day care services may not be achieved unless states voluntarily accept suggested ideas.*

-- *As quality day care becomes a lower priority item at the federal level, lower levels of resources may be allocated.*

The advantages of the strategy are:

-- *There are minimal additional costs for the federal regional office.*

-- *Possible decrease in cost of day care at the provider level.*

-- *Probable reduction in cost of day care to the states because of reduced staff needs for monitoring, in the short-run.*

-- *Reduced indirect costs if no training is given to day care providers.*

-- *States are free to determine their own priorities and fit day care into overall priorities.*

-- *States are able to use the resources of the federal regional office in the manner in which they choose.*

-- *State capabilities for social service delivery are enhanced in the long-run if they choose to adopt model day care licensing and a social service development planning process.*

00195

2.8 STRATEGY IV

The Federal Encouragement Strategy

The federal regional office would encourage states to develop planning and allocation systems for day care. The federal regional office would develop guidelines for the states for quality day care standards. The states would be able to accept these guidelines totally or in part, or reject them. The states would be the focal point for decision making regarding planning and levels of quality of day care services.

Assumption

There will not be a continuation of Federal Day Care Requirements.

00136

2.8.6 Summary: Strategy IV.

The Federal Encouragement Strategy changes the federal role to one similar to its role prior to adoption of the 1968 FDCR. This role is the development of guidelines for day care licensing for states to adopt at their discretion. The states would determine the quality of care which would be required in the state. States would also have the option to implement a social service development process with the assistance of the federal region. The impact of this strategy on the quality of care would probably be to maintain it at the current level with a possible upgrading of quality over time.

2.9 CONCLUSIONS--FINAL RECOMMENDATIONS

The strategies presented in this chapter cover the two major federal policy positions on day care standards which are likely to be assumed in the near future. These positions are: the adoption of the 1972 federal standards in some form or the abolishment of federal day care requirements.*

It is Unco's viewpoint that, at the present time, there needs to be a continuation of federal day care requirements. State requirements are not yet fully comprehensive enough to assure the quality of care that the federal requirements specify. Further without federal requirements to provide the states with a baseline for assessing quality care, it is probable that state attention to providing adequate quality standards would be irregular. From a financial viewpoint, there is an appeal to the reduced cost features of Strategies III and IV. However, the probability that the impact of these strategies would be a lower level of care wastes prior investments in upgrading care and outweighs the potential cost savings inherent in these two strategies.

Two strategies are recommended to the regional office should federal standards be continued. *It is recommended that Strategy II be adopted by the Federal Regional Office.* This strategy, while having a high initial cost, does provide a continuing mechanism for the federal regional office to take action to assure a level of quality care within the region. At the same time, it

---

*It should be noted that either Strategy I or II can be implemented even if the only action taken by the federal government is to continue the 1968 requirements.

00197

builds on current state and local capabilities in the field of day care, and provides incentives to the states to increase their capacities. The impact of this strategy will be:

-- An effective monitoring network within the Region.

-- An information system which is continually updated on which to base decisions.

-- A planning-allocation system which integrates day care with all other social services, and provides coordination from the local level to the federal level.

-- A decreasing demand for federal regional office support and resources as state capabilities strengthen.

There are problems which need to be resolved before the 1972 FDCR can be implemented. The states in this Region have not made budgetary allowances for staff, training, etc., required to successfully implement the new standards. The other levels of government involved (federal and local) will have similar problems. To alleviate these problems, a pilot program is necessary. It is recommended *that the Federal Regional Council (FRC) use the 1972 FDC Requirements as the basis for a pilot program to test the effectiveness of the FRC in carrying out its responsibilities under Executive Order 11647.* Specifically, the functions of:

-- Integrated program and funding plans.

-- Supervision of interagency program coordination mechanisms.

-- Administrative procedures to facilitate day-to-day interagency and intergovernmental cooperation.

Day care is an excellent basis from which to begin because it represents the epitome of the kinds of changes in federal/state roles required under the New Federalism. There exists a set of federal standards. Numerous federal, state, and local agencies are involved in delivering day care. The FRC provides a vehicle for assessing the relationship between federal standards and specifications, and state licensing regulations, as well as mechanisms for federal/state/local cooperation.

00108

A pilot program built upon the base data developed in this study would require the following tasks to be performed:

-- Have Region X designated as a pilot Region to implement the 1972 FDCR. (Pilot would last two years.)

-- Notify the four states of the Region of the proposed implementation strategy and the pilot program.

-- The FRC should request transfer of funds to carry out the demonstration program. These funds could cover the increased costs to the states, local goverments, and the regional office for the initial implementation. The funds could be used to cover additional staff costs, training of staff and providers, and arranging support services. The estimated cost for these functions is $500 - $600,000 per year.*

-- The FRC designates an interagency staff body to carry out the federal functions in the implementation of the strategy. This staff should report directly to the FRC regarding progress made in the program.

The primary purpose of this pilot is to demonstrate the ability of the states with sufficient financial incentives to carry out an effective enforcement program to assure quality day care. The secondary purpose of the pilot is to determine if a coordinated planning process can be designed and implemented to maximize the effectiveness of social service delivery systems.

2.9.1 Proposed Implementation Timetable of the Pilot Program.

Once approval of the pilot is received, the following timetable is recommended:

A. First Quarter of Pilot Program, Federal Actions:

1. In conjunction with the states, complete the monitoring guide by the end of the first quarter.

2. Provide any needed training to state staff on the use of the monitoring guide.

*This figure does not include increased provider costs.

00199

3. Provide any other technical assistance the states may need to implement the monitoring activities.

4. Establish the information clearinghouse and initiate dissemination of information.

5. Begin preliminary design of the planning-allocation system in cooperation with state and local units of government.

State Actions:

1. Assist the federal regional office in the development of a monitoring guide.

2. Identify staff needed to monitor day care providers, recruit, and train staff as needed. Deploy staff to regional office.

3. Notify providers of new requirements and conduct regional orientation meetings.

4. Develop plan to complete monitoring of one-fourth of all providers in the second quarter.

5. Design information system to support monitoring effects.

6. Begin design of a planning and allocation process in cooperation with federal and local levels of government.

Local Actions:

1. Assist federal-state staff in preliminary design of a planning and allocation process.

B. Second Quarter of Pilot Program, Federal Actions:

1. Complete design of planning and allocation process.

2. Provide any technical assistance requested.

3. Submit six-month progress report to central office.

State Actions:

1. Complete monitoring of one-fourth of day care providers and develop plan to correct noted deficiencies.

00200

2. Identify initial training needs of providers, develop training plan, and provide appropriate training.

3. Submit quarterly action plan to federal regional office.

4. Complete design of planning-allocation process in cooperation with federal-local staff. Make any organizational changes required by the planning process.

Local Actions:

1. Complete design of planning-allocation process in cooperation with federal-state staff. Make any organizational changes required to implement the planning process.

C. Third Quarter of Pilot Program, Federal Actions:

1. Complete first performance audit of administering agencies.

2. Assist state and local government in the implementation of the planning-allocation process.

State Actions:

1. Complete quarterly action plan (an additional one-fourth of providers should be monitored).

2. Implement the planning-allocation process.

3. Submit quarterly action report with new action plan.

4. Update training plan.

5. Begin review of state standards with goals of adopting model day care licensing.

Local Actions:

1. Implement the planning-allocation process.

D. Fourth Quarter of Pilot Program, Federal Actions:

1. Complete second performance audit.

2. Submit one year progress report to central office.

00201

State Actions:

1. Same as third quarter.

Local Actions:

1. Same as third quarter.

E. Fifth Quarter of Pilot Program, Federal Actions:

1. Complete third performance audit of administering agencies.

State Actions:

Same as third quarter.

Local Actions:

Same as third quarter

F. Sixth Quarter of Pilot Program, Federal Actions:

1. Complete fourth quarter performance audit of administering agencies.

2. Begin the application and deference as appropriate.

3. Submit 18 month progress report to central office with recommendations regarding feasibility of implementation in the other federal regional offices.

State Actions:

1. Same as third quarter.

2. Complete review of state standards and adopt model licensing laws, if possible.

Local Actions:

1. Same as third quarter

G. Seventh Quarter of Pilot Program, Federal Actions:

1. Complete performance audits where required.

2. Continue application of deference.

00202

State Actions:

1. Same as third quarter.

Local Actions:

1. Same as third quarter.

H. Eighth Quarter of Pilot Program, Federal Actions:

1. Report seventh quarter.

2. End of incentive grants.

3. Submit final report to central office with final recommendations for nationwide implementation.

State Actions:

1. Same as third quarter.

2. State financial assumption after end of incentive grants.

Local Actions:

1. Same as third quarter.

Throughout the life of the pilot program, adjustments and modifications will be made, based on the experiences gained. The states will have to submit a budget to the governor which includes assumption of the financial load being covered by the incentive grants. With the necessary system in place, each level of government will have the ability to continue the strategy. Because of the continual updating of plans, the system reflects the current state of day care within the Region.

00203